

Response to Energy Company Obligation 2015-2017 (ECO2):ECO2.2 Consultation

Summary

Mark Group are a global company, founded in 1974 in Leicestershire, and are the UK's leading provider of Domestic Energy Efficiency Solutions. The business has the capability to make over 6,000 homes a week more energy efficient, and we have over 2 million satisfied customers. We take a "whole house" approach to the measures we install, and have the capability to install solar, heat pumps, boilers, smart controls and all types of insulation.

Our patented "Heat Seeker" technology has mapped hundreds of thousands of the UK's buildings, which has helped us target the consumers most in need of domestic energy efficiency upgrades, over and above the data available by central Government on buildings from sources such as the National Housing Survey.

We employ around 1,500 people in the UK, but we have expanded into markets in the USA, New Zealand and Australia, building new energy efficiency markets from the ground up. Mark Group was listed in 2013 in the Sunday Times' HSBC International Track 200 fastest growing overseas trader. In the UK, the Mark Group National Training Academy in Leicestershire ensures that our installer network is multi-skilled and well qualified.

We have provided detailed answers to each of the questions and would be happy to discuss anything in this response further if required.

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Question 1:

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

These seem a sensible move and as the age band is required for the EPC the as built values will be known. Giving the equivalent of minimum 100 mm of retrofit insulation again fits in to the standard EPC input values there is no additional work to confirm or register the non-compliance of the building.

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

No

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.

Currently there are no guarantees or BBA approved systems available for CWI less than 40 mm. It would therefore be perverse to require that such a wall be insulated.

- 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.

It would be sensible to allow this as there may be the same problems with these walls as they would be built at the same time. It also avoids the risk of increasing relative heat loss from the un-insulated wall and potential damp or mould growth issues.

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

Any wall where there is not a BBA approved system (required to meet Building Regulations) and/or appropriate Guarantees available.

Any wall where due to its condition, does not meet the assessment criteria to enable insulation to be installed.

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

Completed Survey by a BBA accredited Surveyor or from a Site Visit by a suitable qualified Chartered Surveyor.

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

No

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.

Option 1 appears a logical choice except for the possibility that the shorter lifetime source may not be renewed at the end of its lifetime and if it is lower carbon than the primary source could affect the savings expected.

- 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?

Option 3 means that the expected savings will always be achieved.

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

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No

Question 4:

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

Yes with the exception that the heater needs to be tested when power is available.

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

Yes it makes sense and in general agreement with the philosophy behind boiler replacement

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

Yes but in practice anything other than minor repairs, thermostat, controls or thermal link are not practical as the insulation used in storage heater becomes fragile and cannot be disturbed after a short period of use.

Small amounts of asbestos were present in some storage heaters. Repairs should not be attempted where this is identified and appropriate precautions taken in disposal of the heaters.

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

No

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.

Yes this seems reasonable.

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

Yes this seems reasonable.

- 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.

Yes this seems reasonable.

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

No

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.

- 1 We agree that the EPC assessor must gain access to the loft and record the existing insulation levels.
- 2 It is the EPC assessor, not the installer, who should obtain signature from the occupier or landlord as they are confirming his assessment.
- 3 An additional question in Technical monitoring will not add anything as it may not be the owner/occupier who is present or the same person who signed the declaration.
- 4 Pre – or mid inspections will add cost but not necessarily solve any fraudulent activity.

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

As proposed we would assume that option 1 of the three proposed will be selected in a very high % of cases.

The value of this is highly debatable as the customer may be unable to see what is in the loft and will in many cases accept the assessor's views without any comment.

- 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.

It is only by relying on the EPC and its independent professional code can this be tackled.

- 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?

Examples would be damage by water or other liquids or contamination by insects or other pests. Only pre-installation inspection by the monitoring agent would provide suitable evidence.

Question 7: (NB: Please see Appendix 1 before answering any of the below questions)

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

Yes it is certainly a good idea to split these functions. It would allow a single set of scoring questions which could be applied for all measures.

- 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?

Yes it appears reasonable.

- 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?

Yes and we are aware that some Monitoring agents have their own training scheme and at least one of these has offered it as an Industry Standard.

Experience in the industry or training imparted by experienced staff is the main requirement.

- 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?

No, Gas safe is not required as the monitoring is purely visual. It is important that the Energy Supplier carries out 'Due Diligence' on the companies that they appoint. Ofgem should only audit the 'Due Diligence' of the Energy Suppliers.

- 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?

Yes they appear reasonable and practicable

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

It is important that the list of 'Scoring' and 'Technical Monitoring' questions are published and agreed with the wider industry ASAP.