

**ECO1 Closedown – Loft insulation scenarios**

Audit activity has identified cases where ECO1<sup>1</sup> loft insulation measures have been notified incorrectly. We have considered the most appropriate approach to the various loft insulation sampling and scoring scenarios under ECO1.

Table 1 sets out those scenarios and how we propose to approach them, including what further action may be required of you to inform our decision making.

Where more than one type of failure occurs, the failure rates should be considered cumulatively.

We have introduced a default measurement of 100mm for use in certain rescoring scenarios. It is important to note that the rescoring scenarios outlined here **only relate to ECO1**.

Utilisation of the “minded to” process allows suppliers to make representations on measures they believe are valid but fall under a scenario where they are rescored, rejected or approval revoked. We will consider all representations on a per-measure basis.

Please note that measures may still be subject to further checks to ensure they are compliant with the legislation and our supplier guidance.

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<sup>1</sup> ECO1 refers to the obligation period that ran from 1 January 2013 to 31 March 2015.

**Table 1** ECO1 sampling and scoring scenarios

Number	Scenario	Ofgem Approach
1	No insulation present, less than 50% of sample <sup>2</sup> fail	<ul style="list-style-type: none"> <li>Reject/revoke approval of measures identified using "minded to" process</li> <li>Suppliers to provide evidence regarding remaining measures</li> </ul>
2	No insulation present, more than 50% of sample fail	<ul style="list-style-type: none"> <li>Reject / revoke approval of all relevant measures<sup>3</sup> using "minded to" process</li> </ul>
3	Starting depth understated, less than 10% of sample fail	<ul style="list-style-type: none"> <li>Rescore measures identified using evidenced starting values</li> </ul>
4	Starting depth understated, greater than 10% but less than 50% of sample fail	<ul style="list-style-type: none"> <li>Rescore measures identified using evidenced starting values</li> <li>Suppliers to provide evidence regarding remaining measures</li> </ul>
5	Starting depth understated, more than 50% of sample	<ul style="list-style-type: none"> <li>Rescore all relevant measures using default starting depth of 100mm</li> <li>Those not rescored are rejected/revoked using "minded to" process</li> </ul>
6	Existing insulation removed, less than 50% of sample	<ul style="list-style-type: none"> <li>Rescore measures identified using default starting depth of 100mm</li> <li>Suppliers provide evidence regarding remaining measures</li> </ul>
7	Existing insulation removed, more than 50% of sample	<ul style="list-style-type: none"> <li>Rescore all relevant measures using default starting depth of 100mm</li> <li>Those not rescored are rejected/approval revoked using "minded to" process</li> </ul>
8	Exceptional circumstances, which may include: <ul style="list-style-type: none"> <li>Documentation provided is forged or fraudulent</li> <li>Installer misconduct, such as attempting to remove/alter evidence</li> <li>Supplier / installer refuses to provide information in relation to measures not already inspected</li> <li>100% monitoring has already occurred, or 100% of measures that can be accessed, with documented evidence of contact for non-access cases</li> </ul>	<ul style="list-style-type: none"> <li>Reject / revoke approval of all relevant measures using "minded to" process</li> </ul>

<sup>2</sup> Sample is defined in this context as a statistically significant sample with a confidence level of 95% and a confidence interval of 5.

<sup>3</sup> "All relevant measures" means the total population from which the sample has been selected.