



Ofgem consultation on MCS equivalence for the Domestic Renewable Heat Incentive Scheme

Response on behalf of the Solar Trade Association

About us

Since 1978, the Solar Trade Association (STA) has worked to promote the benefits of solar energy and to make its adoption easy and profitable for domestic and commercial users.

A not-for-profit association, we are funded entirely by our membership, which includes installers, manufacturers, distributors, large scale developers, investors and law firms.

Our mission is to empower the UK solar transformation. We are paving the way for solar to deliver the maximum possible share of UK energy by 2030 by enabling a bigger and better solar industry. We represent both solar heat and power, and have a proven track record of winning breakthroughs for solar PV and solar thermal.

We are the only trade association to represent solar thermal with many of our longest serving members from this sector, and therefore we welcome the opportunity to respond to this consultation.

Respondent details

Respondent Name:	David Pickup (Business Analyst)
Email Address:	consultations@solar-trade.org.uk
Contact Address:	53 Chandos Place, London WC2N 4HS
Contact Telephone:	0203 637 2945
Organisation Name:	Solar Trade Association
Would you like this response to remain confidential?	No

Introduction and Background

In the view of the STA, certification is important to ensure customers benefit from systems comprising of high quality components installed to a high standard such that they perform to their full potential for many years. However certification is also a cost to business and so needs to be applied effectively

in order to achieve the desired result. The STA feels that, currently, MCS is not as effective as it should be which means the costs to industry are not offset by the benefits of participation. As such, companies are leaving the sector and the dRHI is insufficient as a customer incentive to retain them.

We therefore welcome the possibility that other schemes might be considered equivalent to MCS, and providing access to dRHI especially if competition between schemes reduces cost to industry and/or improves standards and the end result for customers.

Our only concern would be that competition (as has been seen with competition between certification bodies within MCS) could undermine the enforcement of standards such that the very existence of such schemes becomes questionable. Any equivalent schemes should be required to demonstrate in detail how they would propose to ensure standards are upheld to ensure there isn't a race to the bottom.

We would also strongly encourage Ofgem to find a way to allow equivalent schemes rather than define the requirements so prescriptively that only MCS itself could meet the criteria or the cost of developing an equivalent scheme.

Answers to Consultation questions

Q3.1 – No comment

Q3.2 – No comment

Q4.1 – Yes we agree with the principles given. We also agree that focus should be on the outcome (resulting installations) rather than prescribing how a scheme should achieve that.

Q4.2 – No comment

Q4.3 – No comment

Q5.1 – We broadly agree except on two points:

- We do not understand why an equivalent scheme must offer both installer and product certification. Such an approach will stifle the development of new schemes. For example, it would seem perfectly workable for an installer only scheme to refer to other product schemes such as Solar Keymark for solar thermal collectors. An installer only scheme could equally refer to the MCS product list.
- Although we understand that it would only be equitable for equivalent schemes to have to also bear the cost of standards development in the same way MCS does, this could mean inconsistency and a duplication of cost/effort. One way to avoid this might be to allow collaboration with MCS standards development. Another option would be for an equivalent scheme to pay a licence fee to the MCS Charity (once it is formed) as it is understood the MCS Charity is likely to own the intellectual property of the MCS standards.

Q5.2 – No comment

Q6.1 – As regards assessment of an equivalent scheme and its standards, assessment of its standards would likely be costly but not necessary if an equivalent scheme was able to licence the use of MCS standards. If technical assessment was decided as being necessary then we would be concerned as to how the cost for that would be met.

Q6.2 – In para 6.4 it states that potential schemes would only be able to apply for recognition of equivalence after accreditation by UKAS. This would mean a significant capital outlay without the certainty of Ofgem approval. We would propose that applying schemes should be able to seek approval by Ofgem by submitting details about their scheme’s proposed design/governance/structure etc that then may be granted subject to UKAS accreditation and the realisation of the plans in the proposal document. This would significantly de-risk the process for schemes looking to apply.

Q6.3 – No comment

Q6.4 – No comment

Q6.5 – The ultimate barometer for the effectiveness of any such scheme is the quantity of customer complaints as a proportion of installations, the number of those complaints upheld against the installation contractor and the resulting actions (remedy, suspension, expulsion). Any scheme (including MCS) should be required to provide, even publish, such metrics on a monthly basis. This may well be sufficient to evaluate the effectiveness of any scheme.