

30 November 2015

ECO2 Technical Requirements Consultation

Executive summary

British Gas welcomes the opportunity to respond to this consultation, which will provide clarity on the applicable scores for wall insulation installed with an appropriate warranty, and whether some technical monitoring re-inspections may be undertaken remotely following completion of remedial work, where certain requirements are met.

We agree with Ofgem's approach that where wall insulation is installed without an appropriate warranty, this should receive no ECO savings. However, rather than achieve this outcome through making the measure lifetime 0 years, we consider that these measures should simply be considered as ineligible under the ECO requirements. This would provide a clear message throughout the ECO supply chain and be simple to enforce, without creating any area for challenge where alternative assurance is provided. As this is a change to the approach adopted under ECO1, this should apply to all wall insulation measures installed *after* this consultation process has concluded.

In regards to technical monitoring we agree that re-inspections have the potential to be completed remotely with a call to the customer or assessment of other appropriate evidence, without always needing a physical site re-inspection. We would recommend that remote re-inspection should be allowed across *all* questions, at the discretion of the Technical Monitoring Agency (TMA). We consider that the TMA is best placed to use their judgement and professional competence in deciding when this is appropriate.

Enabling remote re-inspection offers benefits to both the customer and the supplier / installer delivering the measure. It can be burdensome to the customer to be available for a re-inspection visit, and it can be more difficult to arrange this visit with them if the measure installed is working correctly and there is no tangible benefit for them in being available for the re-inspection.

In general, we recommend that all questions should be open to remote re-inspection at the discretion of the Technical Monitoring Agency.

Responses to questions raised:

TOPIC 1: Lifetime for wall insulation measures without an appropriate guarantee

1.1 Do you agree that the default lifetime for wall insulation measures without an appropriate guarantee is 0 years?

We agree that wall insulation measures without an appropriate warranty should not be eligible for ECO savings. However, if the overarching objective is to ensure that all wall insulation installed under ECO is

supported by an appropriate warranty, we consider that these measures should simply be classed as “ineligible” rather than having a different measure lifetime.

As this is a change to the approach adopted under ECO1, this should apply to all wall insulation measures installed *after* this consultation process has concluded and should not apply retrospectively. This is to allow the supply chain time to acknowledge the change in approach.

1.2 Please give reasons for your answer

We require that all our wall insulation partners provide evidence of an appropriate warranty in support of all wall insulation measures installed. Alongside meeting relevant product and installation standards, provision of an appropriate warranty provides assurance that should a fault occur, redress is available and sets a clear standard of aftercare that customers receiving wall insulation under ECO can expect. It is clearly set out in the ECO Delivery Guidance that wall insulation measures must be supported by an appropriate warranty. Where this is not provided, we do not consider that the wall insulation measure is compliant with the ECO Guidance and we believe it should not be eligible.

This is clear and easy to understand message to provide to the supply chain.

2.1 Where there is alternative assurance available in support of the lifetime, do you agree that we should determine the lifetime through a case by case assessment of the evidence, up to a maximum of the standard lifetime for that measure type?

No. We consider that wall insulation measures are ineligible under ECO unless an appropriate guarantee is provided.

2.2 Please give reasons for your answer

Allowing alternative assurance creates a grey area and undermines the simplicity of the message that an appropriate guarantee must be provided.

3.1 Do you consider that an alternative approach would be more appropriate in determining the lifetime for wall insulation measures without an appropriate guarantee?

Yes.

3.2 If, yes please provide details

We consider that these measures should be deemed ineligible.

TOPIC 2: Technical Monitoring Re-Inspections

4.1 Do you agree that in some circumstances, remote re-inspections are appropriate?

British Gas considers that in all (rather than some) circumstances it is appropriate for remote re-inspection subject to be at the discretion of a competent Technical Monitoring Agency (TMA).

4.2 Please give reasons for your answer.

Ofgem require that all TMAs are suitably qualified and are not connected to the Installation Company and Supplier. We feel that there are too many different circumstances to make this process (which is currently simple and clear) more complicated. TMAs are trusted to decide whether the failure has been corrected and they should be given the power and discretion to decide whether the evidence supplied to them meets their requirements. For example, whether confirmation by the occupant or photographic evidence is sufficient to prove the remedial work has been completed. If evidence is not sufficient, they can then arrange a physical re-inspection of the property. Stating which question is suitable or not does not support the process and makes it more complex and difficult to manage, creating further potential losses of carbon and challenges on MTNs (where a physical re-inspection cannot be arranged).

5.1 Do you agree that it may be possible to remotely re-inspect the technical monitoring failure types we suggest in Appendix 1?

Yes, we do. We also feel that all inspections have potential to be completed remotely with a call to the customer or assessment of other appropriate evidence, without always needing re-inspection, and that this decision is best made by the TMA on the basis of their professional judgement.

5.2 Please give reasons for your answer.

We agree that for the questions identified by Ofgem in Appendix 1 and photographs pre and post remediation are appropriate to demonstrate the rectification of the failure.

We believe that further questions could be assessed without re-inspection, for example, question NB3, "Does the boiler produce hot water for the central heating system". This question can be re-inspected remotely by proof of a part installed or a job completion sheet and the TMA making a call to the customer confirming the boiler is working correctly. If the TMA is unhappy with the evidence then they can arrange a further visit. It is not always convenient to the customer to be available for a re-inspection visit, and it can be considerably more difficult to arrange this visit with the customer if the measure installed is working correctly and there is no tangible benefit for them in being available for the re-inspection.

5.3 Please identify those questions in Appendix 1 where you disagree with the proposal.

In general, we recommend that all questions should be open to remote re-inspection at the discretion of the TMA.

5.4 Please identify any other questions where you consider the proposal would be appropriate.

In general, we recommend that all questions should be open to remote re-inspection at the discretion of the TMA.

6.1 Do you agree that technical monitoring fails can only be re-inspected remotely in cases where the technical monitoring agent has deemed it possible during their original inspection?

Yes, we agree that the remote re-inspection should be determined by the technical monitoring inspector at the original inspection.

Ofgem could add a further question asking “Is a remote re-inspection suitable after remediation of the failure?” with a yes or no response.

6.2 Do you agree that remote re-inspections must be conducted using photographs taken before and after remedial works, and that original photographs must be taken by the monitoring agent during their original inspection?

Yes, where photographic evidence is appropriate. This is a process we currently have agreed with all our TMAs to support any challenges or disputes with the installer where photographic evidence is appropriate.

6.3 Do you agree that the photographs need to be GPS location-stamped?

We consider that having confirmation of address, property name/number and postcode with clear before and after still images, where the TMA is comfortable that it's the same property should suffice. In our experience, TMAs will only pass something if they are 100% certain the evidence proves the remedial work has been completed.

We have concerns that mandating the use of GPS location stamping would add further costs to delivery for our installation partners and would not necessarily provide the level of comfort expected as there is technical potential for the stamp to be amended or misreported.

We recommend that the re-inspection process is kept it as simple as possible with a very strong emphasis on the TMA's professional judgment to make the decision.

6.4 Do you agree that the technical monitoring agent should be able to request additional evidence to assist with the remote re-inspection? If so, please provide examples of suitable evidence.

Yes. Examples include BBA certificates, Benchmark Certificates, copies of parts invoices or completion works sheets signed by the customer or occupant as verification

6.5 Do you agree that the remote re-inspection should be conducted by the same agent who conducted the original site audit?

Yes, as best practice, but not as a mandatory requirement. A second opinion may be required in case of a dispute and customer complaint affecting access to the property. Feedback from our TMAs is that this could also be overly restrictive with respect to managing their field based teams efficiently. However, the same technical monitoring agent, i.e. company, should always carry out the original inspection and the remote re-inspection.

6.6 Do you agree that the technical monitoring agent must conduct a site audit if there is any doubt in the evidence assessed during the remote re-inspection?

Yes, we agree that the technical monitoring agent must be able to insist upon a site re-inspection if he/she has any doubt over the validity of the evidence produced for the remote re-inspection.

6.7 Do you think that monitoring agents should monitor a minimum percentage of re-inspections on site? If so, what is an appropriate percentage?

We do not believe that a minimum percentage of re-inspections on site should be prescribed. All re-inspections should be judged on the issue of failure on the evidence presented and with the judgment of the TMA. There may be occasions when the TMA will need to visit site where the re-inspection still results in a failure, where there is any doubt in the evidence assessed or simply to confirm the robust nature of the remediation process. We recommend that the decision to re-inspect on site is at the professional discretion of the TMA.

6.8 Please provide any further suggestions for processes that may increase the accuracy of remote re-inspections, or enhance consumer protections.

We do not have any further suggestions to make.

7.1 Please estimate the time that could be saved by these proposals.

We believe this could reduce failure times for re inspections by at least 2 weeks per measure or even more in some cases. It saves administration, associated carbon emissions and heavily reduces the impact on the customer and hence customer complaints. It would improve the customer journey throughout the ECO installation.

The advantages of the proposals are:

- Speedier process than present arrangement
- Less disruption to customers, one less visit to the property
- Reduction in “No-access” visits
- Reduced travel to complete inspections