



ECO Consultation
Ofgem
9 Millbank
London
SW1P 3GE

27 November 2015

Energy Companies Obligation (ECO): Consultation on ECO2 Technical requirements

EDF Energy is one of the UK's largest energy companies with activities throughout the energy chain. Our interests include nuclear, coal and gas-fired electricity generation, renewables, and energy supply to end users. We have over five million electricity and gas customer accounts in the UK, including residential and business users.

EDF Energy welcomes the fact that Ofgem have consulted on ECO2 Technical requirements. We would urge Ofgem to publish the results of this consultation and issue new guidance as soon as possible due to the potential cost benefits and improvements to the customer journey these proposals add to the ECO programme, through removing the inconvenience of additional site visits.

I am pleased to provide EDF Energy's response to Ofgem's consultation. In summary EDF Energy supports the majority of Ofgem's proposals, and their recommendations are, in the main, in line with existing or similar processes in ECO and can be implemented without undue disruption to EDF Energy's supply chain.

Our detailed responses are set out in the attachment to this letter. Should you wish to discuss any of the issues raised in our response or have any queries, please contact Dave Nutt on 07875 110245 or myself.

I confirm that this letter and its attachment may be published on Ofgem's website.

Yours sincerely,

A handwritten signature in black ink that reads 'Paul Howell'.

Paul Howell
Manager of Delivery Performance

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Attachment

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EDF Energy's response to your questions:

Question 1

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

EDF Energy agrees with Ofgem's proposal that the default lifetime for wall insulation measures without an appropriate guarantee is 0 years.

1.2 Please give reasons for your answer.

EDF Energy believes that if there is no assurance that an appropriate guarantee is in place to protect the property from poor workmanship and therefore that the cost/carbon score generated may not be accurate, then the default lifetime of 0 years is appropriate.

Question 2

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?

EDF Energy agrees with Ofgem's proposal to determine the lifetime through a case-by-case assessment of the evidence up to a maximum of the standard lifetime for that measure type.

2.2 Please give reasons for your answer.

EDF Energy would support Ofgem exercising flexibility on a case-by-case basis, provided that additional assurance could be obtained to protect consumers against poor quality installations. We would also ask that decisions are made expediently, ideally within a month, so that payment within the supply chain is not delayed and that obligated parties can gain assurance these measures can be approved.

Question 3

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?

EDF Energy is satisfied with Ofgem's proposed method for determining the lifetime for wall insulation measures without an appropriate guarantee.

3.2 If yes, please provide details.

N/A

Question 4

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

EDF Energy agrees with Ofgem's proposal that some remote re-inspections are appropriate.

4.2. Please give reasons for your answer.

EDF Energy believes that in some circumstances photographic evidence of the remedial or missing documentation not available at the time of the original inspection can be provided without the necessity of an additional customer site visit.

Question 5

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

EDF Energy agrees with Ofgem's proposal that it may be possible to remotely re-inspect all of the technical monitoring failure types identified in Appendix 1, with the exception of Question number CWI.4 - Does the drilling pattern conform to the appropriate materials compliance certificate?

5.2. Please give reasons for your answer.

EDF Energy believes that photographic evidence could be provided for all these failure types with the exception of CWI.4, as a clear view of the drilling pattern could not be adequately evidenced with a photograph. This is due to the need to see the wall in its entirety, however we do not believe drilling holes can be clearly seen from a photograph without the use of close ups.

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

Question number CWI.4 - Does the drilling pattern conform to the appropriate materials compliance certificate?

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

EDF Energy has identified a further 53 questions on Appendix 1 where we believe a remote re-inspection could be appropriate, either via photographic evidence or through a phone call to the customer. We have grouped these additional questions into three categories below:

- **Mid-installation/Competency (mid-installation only) questions (34).** Although in practise the majority of these C2 inspection failures should be resolved on the day of the original site visit, we believe all questions with the exception of EWI.12, RIRI.3 & RIRI.4 can be remotely re-inspected.
- **Telephone call to the customer (8).** We believe for question numbers BR.2, BR.3, NB.3, NB.4, DP.2, ESHR.2, NESH.2 and HC.2 a telephone call to the customer could provide the necessary assurance.
- **Photographic evidence (11).** We believe that for question numbers EWI.13, EWI.15, EWI.16, EWI.17, FRI.6, LITU.1, LITU.6, LIV.1, LIV.6, LIV.7 and UFI.8, photographic evidence could be used to provide the necessary assurance.

Question 6

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?

No, we do not believe it is necessary to identify this at the initial inspection stage as we do not feel this additional question would add any value to the process. Once the inspection questions suitable for remote re-inspection have been confirmed and relevant guidance issued, the technical monitoring agent should be able to make the final decision when provided with the evidence about whether a site visit is necessary.

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, EDF Energy believes this is appropriate and is standard practise already for our technical monitoring agents to provide photographs as part of the original site inspection.

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

No, EDF Energy believes a date and time stamp should be sufficient in most cases, and a requirement to have them GPS location-stamped would add additional costs to the supply chain. If the photographs provided do not give the technical monitoring agent assurance of the address location, then a phone call to the customer or a site visit should be an option.

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, EDF Energy agrees with this approach and it is already standard practise for technical monitoring agents to ask for copies of competency certificates and/or technical specifications. Question specific examples include the BBA certificate for the cavity wall insulation questions CWI.4, PWI.1, PWI.2 or confirmation of the insulation product for LITU.4.

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

While it would be our preferred approach, EDF Energy does not believe it is necessary for the same agent to conduct the re-inspection. In practise the re-inspection would usually be allocated to the same technical monitoring agent by default; however, in theory the evidence provided should allow for any technical monitoring agent to carry out the inspection. Additionally some technical monitoring companies may allocate remote re-inspections to a specific agent while other agents conduct site inspections.

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, EDF Energy believes that this should always be an option; alternatively a telephone call to the customer could provide the required assurance, should the TM failure type allow for this.

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?

No, EDF Energy does not believe there should be a minimum percentage of re-inspections monitored on site as this would add additional costs and reduce the benefit of these proposals. It should be at the discretion of the technical monitoring agents/obligated parties to determine if any additional site inspections would be of value.

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

A signed customer declaration could be provided as additional evidence to support the photographs. The final decision for passing the re-inspection should always remain with the technical monitoring agent.

Question 7

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

It is difficult to estimate the time saved by these proposals. Obviously this will include the travel time but EDF Energy believes that the real benefits of these proposals are improvements to the customer journey by removing the inconvenience of another site inspection and additional cost savings to the ECO programme.

**EDF Energy
November 2015**