

# Energy Company Obligation (ECO) Deemed Scores Consultation Questions

## Background

The questions below relate to the ECO2 consultation on deemed scores which can be found on our website :

<https://www.ofgem.gov.uk/publications-and-updates/eco2-consultation-deemed-scores>

## Notes For Completion

Please complete all relevant sections of the document by selecting an answer for the question and then providing reasons/evidence for your response in the box provided. The questionnaire should be completed in typeface and returned via email to [eco.consultation@ofgem.gov.uk](mailto:eco.consultation@ofgem.gov.uk) by **close of business on 8 July 2016**.

## 1. Respondent Details

Organisation Name:	National Insulation Association
Completed By:	Neil Marshall
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## 2. Methodology

**Q1.** Do you agree with our selection of the key variables to use as the main inputs for calculating the deemed scores?

- ☐ Strongly Agree
- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please clarify which aspect you do not agree with and suggest an alternative, with reasoning.

We would question the carbon emission factors which are from SAP2012. The fuel mix of the UK power supply has altered significantly and there has been a significant reduction in the carbon intensity of the Grid since then which could therefore result in the carbon scores for electrically heated homes being falsely inflated.

## 3. Property Archetypes

**Q2.** Do you agree with the method used in developing typical property archetypes in order to remove the need for measuring property dimensions?

- ☐ Strongly Agree
- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please clarify which aspect you do not agree with and suggest an alternative, with reasoning.

We agree in principle but there are some anomalies that should be addressed:

- Park Homes should not be classed as detached bungalows.
- 4 Bedroom Detached Bungalows should be added as a specific property type.

#### 4. Primary Heating Sources

**Q3.** Do you agree with the approach to accounting for all primary heating sources present in the housing stock?

- ☐ Strongly Agree
- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please explain your reasoning and evidence your preferred approach.

We feel that Heat Pump Central Heating should be classed the same as Gas, RdSAP data would suggest that the closest equivalent would be oil.

**Q4.** Do you agree that we have appropriately accounted for heating systems present in the housing stock either as an input for the deemed scores or in Table 1?

- ☐ Strongly Agree
- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please clarify which additional heating systems you believe need to be accounted for.

However, there may be some additional heating types that need to be accounted for based on the ECO Extension Consultation outcome.

## 5. Measure Types

**Q5.** Do you agree that the deemed scores include all main measure types?

- ☒ Strongly Agree
- ☐ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please clarify which additional measure type you expect will be installed.

**Q6.** Do you agree with our proposals for differentiating within measure types?

- ☐ Strongly Agree
- ☐ Agree
- ☒ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please clarify where alternative differentiation should be applied.

See answer to Q.7.

**Q7.** Are there any measure types where you think that further differentiation is warranted? If so, please clarify which measure type could benefit from further differentiation and suggest an approach.

### **Solid Wall Insulation**

- The assumed U-Values would appear to be understated and at odds with established system performance resulting in artificially low carbon score – these should be reviewed in conjunction with SWI system designers.
- Solid Wall Insulation is a more complex measure, the SWI Housing Stock is highly diverse with

varying starting U-Values by property, it is an expensive measure and a comprehensive survey of the property is often needed to ensure the correct system specification. In view of these factors we believe for SWI in addition to deemed scores there should be the option to move to an RdSAP or SAP calculation of the carbon score where appropriate and the additional work and cost involved can be justified. However, it would be important to retain the facility to use deemed scores too where an RdSAP or SAP calculation is not appropriate or is cost prohibitive.

#### **Loft Insulation**

- We do not agree with combining all existing loft insulation depths together to create one deemed score which assumes there is already some insulation installed. There are still a significant number of lofts with no insulation and therefore we believe that as with previous schemes there should be at least two separate measure depths covering virgin lofts and loft top ups. This differentiation is also important for fuel poor households as if there is only one score households that genuinely require loft insulation could be deprived from receiving it due to artificial cost effectiveness barriers.

#### **Room in Roof Insulation**

- For RIRI the starting U-Value assumes 50mm of existing loft insulation, but in practice there is very little or no existing insulation present and therefore the score is not representative of the condition of the housing archetype that could benefit most from the measure – this needs to be addressed.

#### **Cavity Wall Insulation**

- There does not appear to be a score for polyurethane foam (PUF) CWI which is an appropriate measure for certain cavity wall types – a score should be added.

**Q8.** Are there any areas where you could benefit from further guidance in using deemed scores?

Yes:

- Clarity is needed on the existing maximum insulation depth from which loft top up measures can be installed.
- Additional guidance and a robust specification on what constitutes a legitimate Room in Roof Insulation Installation.

## 6. Scores

**Q9.** Do you agree with the deemed scores produced?

- ☐ Strongly Agree
- ☐ Agree
- ☒ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please clarify which particular score(s) that you believe do not accurately reflect the savings for a measure.

We agree with some but not all of the scores - see answers to Q.7 **plus:**

- The finishing U-Value for loft insulation should reflect the overall finishing depth when insulated and when fully insulated and insulated to a greater depth than 270mm.
- The starting and finishing U-Values for Party Wall Insulation do not seem to reflect the product detail and thermal values.

**Q10.** Do you agree that it would be useful to also provide the deemed scores as lifetime savings (i.e. after applying all relevant multiplication factors), to make the relative value of each measure easier to identify?

- ☐ Strongly Agree
- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

## 7. Percentage of property treated

**Q11.** Do you agree with the proposal to use 'percentage of property treated' to identify whether 100% of a score should be claimed?

- ☐ Strongly Agree
- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please explain your reasoning.

However, we believe that it would be sensible to clearly set these out on a measure by measure basis in the Ofgem Guidance.

## 8. New Scores

**Q12.** Do you agree with our proposed approach for applying for a new score from April 2017?

- ☐ Strongly Agree
- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please explain your reasoning, which specific parts of the process you do not agree with and inform us of your preferred approach.

- The only route for applying for a new score appears to be through an obligated energy company. We believe that this should be broadened to allow additional parties to apply for new scores including the supply chain.
- It is important that the appraisal of an application for a new score is undertaken as quickly as possible to enable the maximum time for it to be implemented and we would like to see a proposed timeline and Service Level Agreement covering this.
- New scores should apply to improvements to scores within existing measures/technologies as well as brand new measures or technologies.

**Q13.** Do you agree that we should determine whether or not to accept an application, and specifically what is a 'significant' improvement in score, on a case-by-case basis?

- ☒ Strongly Agree
- ☐ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know



## 9. Score Monitoring

**Q14.** Do you agree that a DEA is not required to check inputs used when identifying a deemed score for a measure?

- ☐ Strongly Agree
- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Don't Know

If not, please clarify why you do not agree and provide an alternative approach with your reasoning.

The Ofgem guidance should clearly set out the criteria that will apply for each measure in order to assess and verify the scores awarded during independent monitoring post installation.

Consideration could also be given to undertaking a sample of EPCs during the programme to assess the accuracy of the deemed scores and identify any areas for improvement going forward – however, this would need to be done in a way that did not add to the cost of delivery.