

Energy Company Obligation (ECO) Technical Monitoring Consultation Questions

Background

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

<https://www.ofgem.gov.uk/environmental-programmes/eco/contacts-guidance-and-resources/consultations-and-feedback>

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 on **11 October 2016**.

1. Respondent Details

Organisation Name:

[ScottishPower]

Completed By:

[Claire Grover]

Contact Details:

[Claire.Grover@scottishpower.com]

1. Changing the failure trigger point for score monitoring from 20% to 10%

1.1 Do you agree that the failure trigger point for score monitoring should be set at 10%?

- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree

If not, what do you believe the trigger point should be and why?

[We agree with this adjustment to the failure trigger point based on the assumption that deemed scores will be introduced using the simplified question set outlined in this consultation.]

The same assumption has been applied for all other responses, as applicable.]

1.2 Do you agree that the score monitoring fail rate above which a subset of measures is considered to be of 'high concern' should be set at 25%?

- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree

If not, what do you believe the threshold should be and why?

[We agree with bringing consistency to the percentage at which a subset of measures is considered to be of 'high concern', provided that those installers installing less than 100 measures remain a separate category. We would request that Ofgem also look at the option of introducing another category for installers fitting even less measures, 50 or 25 for example.]

Further detail would also be welcome on Ofgem's likely position where an installer has subsequently gone into administration.]

2. Linking requirements for Additional Assurances directly to the Pathway to Compliance

2.1 Do you agree the required additional assurances should be based on which pathway an installer is placed on?

- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree

If not, please explain why.

[We agree with bringing these in line and with the proposed additional assurances for each. This would be more consistent and clearer for industry as a whole.]

However if the timelines adopted by Ofgem to identify and confirm the installers on the pathway were

shortened to three weeks this would also mean that industry and supply chains could deal with issues more promptly and effectively.

We would welcome the opportunity for future discussion on the Pathways to Compliance as a whole as well as the Responding to Fails processes and how they could both be streamlined.]

3. Introducing target ranges for mid-installation inspections for certain measures

3.1 Do you agree with the introduction of target ranges for mid-installation inspections for measure types with both mid-installation and post-installation questions?

- ☐ Agree
- ☒ Neither Agree Nor Disagree
- ☐ Disagree

If not, please explain why.

[We support the introduction of a target for mid-installation inspections for measures types with both mid and post-installation questions as this would provide clarity to monitoring agents as well as suppliers and installers.

However, we do not believe that target ranges would be the most straightforward way of doing this and have set out an alternative in our response to question 3.2.]

3.2 Do you consider the ranges proposed for each of the measure types listed to be reasonable?

SWI

- ☐ Yes
- ☒ No

FRI

- ☐ Yes
- ☒ No

UWI

- ☐ Yes
- ☒ No

If not, please indicate for each measure type where you disagree what you would consider a reasonable range and why.

[We believe a more appropriate way of setting targets for all these measures types would be to have a minimum 2% mid-installation inspection target and a minimum 2% post-installation inspection target, with suppliers able to meet the remaining 1% of the overall 5% target through either mid-installation or post-installation inspections.

This requirement should be across measure type and not across installers.

However, we would need clarity from Ofgem as to what actions, if any, they would take if, although the overall 5% target was met, the 2% targets were not met either by mid-installation or post-installation inspections. Any updated guidance on the Pathways to Compliance may be the most suitable place to address this.]

4. Removing best practice questions

4.1 Do you agree that we should remove the best practice monitoring questions?

- ☒ Agree
- ☐ Neither Agree Nor Disagree
- ☐ Disagree

If not, please explain why.

[While we agree that Ofgem can remove best practice monitoring questions from their set, we may decide internally to keep these as part of the suite of questions used to support the quality of work submitted to us by our contractors and delivery partners.]

5. Score monitoring questions for all measures

5.1 Do you agree with the proposed common score monitoring questions listed below?

Q1) *'Does the measure installed match the notified measure type?'*

- ☒ Yes
- ☐ No

Q2) *'Does the primary fuel type match the notified primary fuel type?'*

- ☐ Yes
- ☒ No

Q3) *'Does the primary fuel type match the notified primary fuel type?'*

- ☐ Yes
- ☒ No

Q4) *'Does the number of bedrooms match the notified number of bedrooms?'*

- ☒ Yes
- ☐ No

Q5) *'Is the claimed percentage of measure installed a reasonable reflection of the actual percentage of measure installed?'*

- ☒ Yes
- ☐ No

Q6) *'Is the claimed percentage of property treated a reasonable reflection of the actual percentage of property treated?'*

- ☒ Yes
- ☐ No

If not, please indicate which questions you do not agree with and why.

[We welcome the reduction to and re-focusing of score monitoring questions, subject to the introduction of deemed scores.

With regard to the questions proposed in Ofgem's consultation document, we would request the following:

- Alignment of terms with those in the May consultation on deemed scores, including "heating type" rather than "primary fuel type" (question 2&3). If this were to be done then our response would change to "Yes"
- Definition of terms including "bedroom" (question 4) and "reasonable" (questions 5 and 6) as used in questions proposed in section 3.6. We would suggest that with regard to "reasonable" a tolerance threshold is also set, similar to the current guidelines for the score monitoring floor area question and, given the difficulties in accurately calculating a percentage for both questions (5 and 6), that this threshold is set at 20%.]

5.2 Do you think any further common questions should be added?

- ☐ Yes
- ☒ No

If yes, please indicate what further questions you want to see included.

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6. Measure specific score monitoring questions

6.1 Do you agree that the proposed measure specific score monitoring questions listed below will allow us to verify the deemed scores as currently laid out in BEIS's and our consultations?

Q1) 'Cavity Wall Insulation - Does the product installed at the premises match the product used to determine the notified score?'

- ☐ Yes
- ☒ No

Q2) 'Loft Insulation - Is there a pre-existing insulation level declaration present?'

- ☒ Yes
- ☐ No

Q3) 'Loft Insulation - Has the loft hatch been insulated to the appropriate standards?'

- ☐ Yes
- ☒ No

Q4) 'High performing external doors - Has the correct measure type been selected for the part of the door that is glazed?'

- ☒ Yes
- ☐ No

Q5) 'Park Homes - Does the park home size match the notified park home size?'

- ☒ Yes
- ☐ No

Q6) 'Solar PV - Does the number of panels installed match the number of panels claimed for?'

- ☐ Yes
- ☒ No

Q7) 'Electric storage heater - Does the type of electric storage heater installed match the type of electric storage heater notified?'

- ☒ Yes
- ☐ No

Q8) 'Boiler - Does the type of boiler installed match the type of boiler notified?'

- ☒ Yes
- ☐ No

Q9) 'Boiler - Do the heating controls installed encompass a programmer, thermostat and TRVs to at least 50% of all radiators?'

- ☐ Yes
- ☒ No

Q10) 'Heating controls - Do the heating controls installed encompass a programmer, thermostat and TRVs to at least 50% of all radiators?'

- ☒ Yes
- ☐ No

Q11) 'Room-in-Roof measure - If the Room-in-Roof measure has been notified as having insulated the residual loft space, has the residual loft space been insulated?'

- ☐ Yes
- ☒ No

Q12) 'All heating measures - Does the wall construction type notified match at least 50% of the total external wall

area of the property?'

☒ Yes

☐ No

If not, please propose alternatives and indicate with which questions you disagree, and why.

[With regard to the proposed measure specific score monitoring questions, we do not agree with these in full and have set out any comments or points for which we would request clarification below:

Q1) Cavity Wall Insulation:

Although we understand from Ofgem that there will potentially be 3 different CWI deemed scores, we believe that the response to this question would already be captured by the response to question 1 as proposed in section 3.6 of this consultation. Therefore we would suggest that this question is not introduced.

Q2) Loft Insulation

Ofgem have confirmed that there is expected to be 2 loft insulation deemed scores, based on the implication within this questions, we request that Ofgem confirm whether or not they will be introducing a loft declaration for each of these.

Q3) Loft Insulation (loft hatch)

We believe this question should be included within the technical monitoring questions and not here. If it is moved to technical monitoring questions, a "n/a" response option to the question is also necessary.

Q6) Solar PV

As we understand that the deemed scores for solar PV are to be amended to be based on the size of the system installed, we would request that this question is also amended to whether size of system (kW) matches that notified.

Q8) Boiler

We agree with this question but request that Ofgem do confirm what is meant by "type".

Q9) Boiler (heating controls)

As the 2 deemed scores for boilers are due to be whether the boiler was installed with or without heating controls, we would suggest that this question as set out here about what the heating controls encompass is removed and included under heating controls only, or be amended to start "Where the boiler measure notified includes heating controls,...".

Q11) Room-in-Roof insulation (RIRI)

Although RIRI and residual loft insulation, currently separate measures under ECO2, will be combined in deemed scores, we believe that this is a technical monitoring question, not a score monitoring question, and so should not be introduced here.

We have made further comments around technical monitoring questions for RIRI measures within our responses to later questions 9.1 and 9.2 later.

Q12) All heating measures

This seems a reasonable question provided that deemed scores if introduced are split for heating measures by wall construction type as well as property type.]

6.2 Do you believe any further score monitoring questions are needed for specific measure types?

☐ Yes

☒ No

If yes, please indicate what questions you would like to be added and why.

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7. Suitable qualifications

7.1 Do you agree it is no longer necessary for a score monitoring agent to have DEA accreditation or similar qualifications?

☐ Agree

☐ Neither Agree Nor Disagree

☒ Disagree

If not, please tell us why you believe DEA accreditation or similar qualifications should be necessary.

[We would not agree with removing this requirement for a score monitoring agent to be an accredited DEA or equivalent at this time, especially as there is no alternative definition of what constitutes a "suitable qualification". We are aware that ATMA is working on developing an accreditation in this area and would welcome this development. Until such an option is in place, we would otherwise request Ofgem provide clarification on what it would accept as being a "suitable qualification".]

8. District Heating System questions

8.1 Do you think questions DHS.1 and DHS.2 are sufficient to check if the pre-conditions have been met for a DHS measure, where applicable?

☒ Agree

☐ Neither Agree Nor Disagree

☐ Disagree

If not, please indicate if you believe questions should be added, removed, or changed.

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9. Room-in-roof insulation questions

9.1 Do you agree that the proposed questions will improve standards of installation for RIRI measures?

☒ Agree

☐ Neither Agree Nor Disagree

☐ Disagree

If not, please indicate with which questions you disagree and why.

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9.2 Do you believe that changing the existing RIRI questions from mid-installation to post-installation stage will enable the monitoring agent to better verify whether the RIRI has been correctly insulated?

- ☐ Agree
- ☐ Neither Agree Nor Disagree
- ☒ Disagree

If not, please explain why.

[While we recognise that post-installation inspections may confirm some elements of the installation that a mid-installation inspection would not, we believe mid-installation inspections are better suited to this measure type, they are more able to identify what work is being done as opposed to after the work has been completed, which may limit the options for inspection as well as being more costly and intrusive.

It may be possible to make RIRI a measure type which requires both mid-installation and post-installation inspections which could resolve the issue of neither inspection being able to verify the quality of installation more fully. For both mid and post inspection, there would need to be "unable to validate", "not applicable" options as the response to questions throughout those applicable to RIRI measures.

However, if post-installation inspections are introduced, as well as mid-installation inspections, there should be no or only a minimal requirement for both inspections to be completed at the same property. Otherwise there may be significant no access issues, due to customer fatigue.]

10. Further questions

10.1 Do you agree with the introduction of the questions listed below?

Q1) *'FRI - Has the area between the wall and flat roof slab been insulated to prevent cold bridging?'*

- ☒ Yes
- ☐ No

Q2) *'PWI - Does the drilling pattern conform to the appropriate materials compliance certificate?'*

- ☐ Yes
- ☒ No

Q3) *'PWI - Have all injection holes been filled?'*

- ☐ Yes
- ☒ No

Q4) *'Air source heat pump - Does the heat pump provide working space heating in the domestic premises?'*

☒ Yes

☐ No

Q5) 'Air source heat pump - Does the heat pump provide working hot water in the domestic premises?'

☒ Yes

☐ No

Q6) 'Ground source heat pump - Does the heat pump provide working space heating in the domestic premises?'

☒ Yes

☐ No

Q7) 'Ground source heat pump - Does the heat pump provide working hot water in the domestic premises?'

☒ Yes

☐ No

Q8) 'Biomass boiler - Does the boiler provide working space heating in the domestic premises?'

☒ Yes

☐ No

Q9) 'Biomass boiler - Does the boiler provide working hot water in the domestic premises?'

☒ Yes

☐ No

If not, please indicate with which questions you disagree, and why.

[We do not agree with the following questions:

Q3) PWI (drilling pattern)

Q4) PWI (injection holes)

The option "unable to validate" would need to be available for both PWI questions. For example, due to the customer covering the wall following installation and the expectation is that "unable to validate" would be the response in the majority of instances where PWI has been installed.]

The following questions concern the entire set of technical monitoring questions. All current technical monitoring questions are listed in Appendix 2 of the consultation document.

10.2 Do you think we should change any of the existing technical monitoring questions?

☒ Yes

☐ No

If yes, please indicate which one(s) and explain why it should be changed.

[A number of questions require additional response options., e.g. "unable to validate" for some of the mid-installation 2 RIRI questions as already exist and as proposed in this consultation including RIRI.1, RIRI.2 and RIRI.3.]

10.3 Do you think we should change any of the existing technical monitoring questions?

- ☒ Yes
- ☐ No

If yes, please indicate which one(s) and explain why it should be changed.

[We agree that Ofgem could take this opportunity to remove any questions which its data shows have had very low failure rates throughout ECO2. This would further aid Ofgem's general proposal to simplify and reduce the number of monitoring questions, which we support.]

10.4 Do you think we should add any further technical monitoring questions?

- ☒ Yes
- ☐ No

If yes, please indicate what questions you believe should be added, and for what measure type.

[As further comment on this consultation we would request greater clarification from Ofgem on what constitutes a 'conflict of interest'. Monitoring agents are completing more and more work directly with installers, both 'ECO style' inspections and providing other services, such as surveys and recommendation of installation methods. Given the minimum 5% of measures checked by suppliers, the volume of work undertaken for other parties could be higher, resulting in agents having to withdraw from completing supplier inspections and causing suppliers difficulty in completing the required percentage of inspections.]

We welcome this consultation from Ofgem and its proposal to use ECO2 experiences to date to improve questions and simplify processes. We note though that within the consultation there is no reference to the Bonfield Review, "Every Home Counts" and the impact this may have in the area of monitoring. If a robust accreditation framework is in place, to provide confidence to the consumer and conduct monitoring as well as recommending and installing measures, then full responsibility for continued high quality installations will sit with industry and inspections by suppliers will no longer be required.]