

ECO2t consultation Part 1: consultation questions

Background

The questions below relate to the ECO2 consultation on the transition period 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

The consultation is open from 12 October 2016 to 23 November 2016. We have provided a template for responses to help us collate and analyse the feedback we receive. 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. **Please do not amend the format of the template.**

Where use of the template is not possible, other formats will still be accepted. Please send your responses to eco.consultation@ofgem.gov.uk by **close of business on 23 November 2016**.

Respondent details

Organization Name:	InstaGroup
Completed By:	Peter O'Neill
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Scheme extension

Q1. Do you agree with our proposed administrative approach and guidance relating to our final determination of CSCO?

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

If not, please provide reasons and any alternative suggestions.

Help to heat group

Q2. Do you agree with our proposed approach to evidencing help to heat eligibility?

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

If not, please provide reasons and any alternative suggestions.

Social housing with an EPC energy efficiency rating of E, F or G

Q3. Do you agree with our proposal to use a declaration signed by a social landlord to evidence that the EPC energy efficiency rating reflects the current characteristics of the property?

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

If not, please state your reasons and any alternative proposals.

Q4. Do you agree with our proposal to evidence that premises are being let below market rate using a declaration signed by a social landlord?

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

If not, please state your reasons and any alternative proposals.

Q5. Do you agree that where multiple measures are installed in a single property, a further declaration should be signed by the social landlord after each installation to confirm the energy efficiency rating remains below Band D?

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

If not, please state your reasons and any alternative proposals.

This proposed approach is overly complex and may even discourage multiple measures within social housing. A suggested approach would be to allow multiple measures to be installed within a defined period following the EPC date.

First time central heating

Q6. Do you agree with our interpretation of “at no point prior”?

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

If not, please state your reasons and any alternative proposals.

Q7. Do you agree with our proposal to evidence that a central heating system or an electric storage heater was not present prior to installation of a central heating system or DHS using a declaration signed by a social landlord?

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

If not, please state your reasons and any alternative proposals.

Q8. Do you agree with the primary heating sources we have listed as eligible for first time central heating measures?

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

If not, please identify which primary heating sources you think should be included/excluded.

Q9. Do you agree with the heating measure types we have listed as eligible for evidencing first time central heating measures?

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

If not, please identify which heating measure types you think should be included/excluded.

Flexible eligibility

Q10. Do you agree with the proposed approach for administering local authority declarations for HHCRO eligibility?

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

If not, please state your reasons and any alternative proposals.

Regular score minimum requirement

Q11. Do you agree with the list of measures in Table 4 that we propose should not count towards the RSMR?

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

If not, please identify which measure you think should be included/excluded.

Party cavity wall insulation

Q12. Do you agree with our proposal to distinguish between the different in-use factors for PCWI based on the date of installation?

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

If not, please state your reasons and any alternative proposals.

Evidencing pre-existing loft insulation

Q13. Do you agree that a PAS pre-installation survey can be used to record the depth of any pre-existing loft insulation?

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

If not, please state your reasons and any alternative proposals.

Q14. Do you agree that 3% of technical monitoring for loft insulation measures should take place pre-installation?

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

If not, please state your reasons and any alternative proposals.

The approach is unworkable and disproportionate. The logistics and drop out rate of these type of measures would create high costs against what is a low cost measure. We would also argue that inspections at C3 stage would be just as adequate in determining the pre-install/existing loft depth and would provide the same assurances as what is being proposed without the logistical disruption.

Requirement for photos to evidence existing loft depth is something which is already in place and could easily continue post April to sit along side a C3 inspection regime. For completeness we would also argue against a declaration style approach to existing loft depth as this will not provide any additional reassurances.

We would therefore urge Ofgem to adopt a photographic and C3 inspection approach only which is more than adequate to control this area.

Q15. Do you agree that the depth of any pre-existing loft insulation can be checked post-installation during a technical monitoring inspection?

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

If not, please state your reasons and any alternative proposals.

Evidencing non-gas fuelled premises

Q16. Do you agree that the PAS pre-installation survey can be used to evidence the main heating system fuel type for the premises?

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

If not, please state your reasons and any alternative proposals.

New build definition

Q17. Do you agree with our proposal to evidence occupancy for all ECO measures as an alternative to demonstrating that premises receiving ECO measures are not new build?

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

If not, please state your reasons and any alternative proposals.

Q18. Where premises are unoccupied, do you agree with our proposal to evidence previous occupancy?

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

If not, please state your reasons and any alternative proposals.

Q19. Where a measure is delivered exclusively to a new build extension, do you agree with our proposal to evidence that the extension was completed before installation using building control sign off?

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

If not, please state your reasons and any alternative proposals.

Q20. Where there is no evidence of occupancy prior to installation, do you agree with our proposals for evidencing that premises were erected before 1 April 2017?

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

If not, please state your reasons and any alternative proposals.

Automatic extensions for 5% of measures

Q21. Do you agree that the first 5% of late measures notified to us for a particular calendar month, without an extension request, should be processed automatically?

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

If not, please state your reasons and any alternative proposals.

We still strongly believe that this does not go far enough and the % should be increased. We would ask Ofgem to consider the fact that official guidance is unlikely to be published until after the start date of ECO2t and so in the first months of the scheme systems will not be fully in place and may be under development. When starting a new scheme consideration must be given to the supply chain adapting to changes to paperwork, rules, evidence, systems and submissions procedures. Having a low % cap in the early stages will cause lost measures for this reason.

The 5% level was based upon actual extension requests and consideration should be given to the significant number of measures which were not granted or requested via the extension process. In addition, given the current regime does not allow for administration errors Ofgem will not have had visibility of measures which have been lost due to this reason.

The other consideration is that only obligated suppliers are able to make extension requests to Ofgem, it is important that this process is as quick as straightforward as possible to avoid any reluctance from suppliers to pursue any extension request.

We still believe that the one month notification rule is the direct cause of many compliance errors and lost measures simply because it places pressure on the supply chain to process work quick particularly work installed at the very end of the month. More work is going to be installed in Rural areas and so obtaining evidence and fixing errors with a strict 1 month rule in place creates a completely unnecessary rush to notify measures and also creates unnecessary commercial risk for the supply chain (for example - crews working away in rural areas all week and not returning paperwork for a number of days).

We would urge Ofgem to reassess their position around this rule particularly for the first 3 months whilst the new scheme is established.

Q22. Where the automatic 5% allowance is exceeded within a single month's notifications, do you agree that a supplier should be given an opportunity to determine which measures it wants to include in the automatic 5% and

which it will submit an extension request for?

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

If not, please state your reasons and any alternative proposals.

As per response to Q21 - we believe this needs further consideration. There is a natural incentive for supply chain to report measures to suppliers so this rule achieves very little in this respect. The rule should be placed only on suppliers to notify measures to Ofgem once they have been reported, not the supply chain.

Q23. Where a supplier does not indicate to us which measures it wants to include in the automatic 5% within 10 days, do you agree that we should select which measures will be automatically processed?

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

If not, please state your reasons and any alternative proposals.

Trading obligations

Q24. Do you agree with our proposal that where a supplier trades between its own licences, it must trade to the licence with the biggest original obligation?

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

If not, please state your reasons and any alternative proposals.

Q25. Do you agree with our proposals for trading between different suppliers, that:

- a. trades must be to the receiving supplier's licence with the biggest original obligation
- b. an application must include the annual turnover of the licence that would be taking on additional obligations, and
- c. where a supplier is taking on an amount greater than its original phase 3 ECO2 obligation, do you agree with our proposed evidence requirements to demonstrate that the supplier can deliver the additional obligation?

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

If not, please state your reasons and any alternative proposals.

Q26. Do you agree with our proposed timescales for processing trading applications?

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

If not, please state your reasons and any alternative proposals.

PAS

Q27. Do you agree with us collecting an installer's PAS certification number as part of notification?

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

If not, please state your reasons and any alternative proposals.