

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:	ROCKWOOL Ltd
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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.

We agree with the proposed administrative approach. Further, we believe that the determination of each supplier's achievement of their CSCO obligations should be reported publically at the earliest opportunity along with data on the over-delivery which it is proposed will be transferred to other parts of a supplier's obligation. This would provide the market with clear sight of the remaining work during the transition year and in particular the impact on the Solid Wall minima, taking into account the scoring methodologies.

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.

ROCKWOOL strongly supports measures which encourage scheme simplification and customer understanding of eligibility. We have some uncertainty around the cost effectiveness of available data matching systems and we understand that BEIS is looking into this issue. We believe it is crucial to the effectiveness of the scheme that a data matching process is agreed which reduces the costs of identifying the AW group so that as much of the available finance as possible is targeted at helping this group rather than simply finding them.

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.

We believe an EPC could be an important tool for determining the eligibility of the least energy efficient social housing. Social landlords could be well placed to sign declarations related to any changes made to the properties which could have affected the EPC ratings since the assessment was made if they have good standards of record keeping. We believe this process of signed declarations should be covered by pre-installation technical monitoring to ensure it is working effectively.

We strongly urge Ofgem to provide guidance on the minimum requirements for the evidence provided by a social landlord supporting its declaration that an EPC rating is still relevant. As a minimum we would expect the guidance to recommend that the social landlord can demonstrate that they have records on each property and that any energy efficiency improvements made predate the most recent EPC. If these records are not available or energy efficiency measures have been installed since the last EPC assessment, then a new EPC would be required.

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 proposal adds layers of complexity to the process and may introduce delays which push up costs. It also does not take into account the efficiencies that can be achieved by coordinating works to install different measures at the same time. The recommendations page of an EPC gives an indication of the likely performance rating of the building once certain interventions are made. This would be a simplified way of demonstrating the likely energy efficiency of the property once eligible measures are installed.

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.

Social landlords could be well placed to sign declarations related to the presence of central heating in a property in the past. We believe this process of signed declarations should be covered by pre-installation technical monitoring to ensure it is working effectively.

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.

We agree with the proposed approach for administering local authority declarations for HHCRO eligibility. We believe Ofgem must take a robust approach to ensure that declarations on HHCRO eligibility are valid, for example by requesting that Local Authorities can demonstrate good oversight of any third party 'lead generators' which they may use to determine eligibility on their behalf, to support accurate targeting of ECO funding and protect quality assurance.

Furthermore if intermediaries other than Local Authorities are permitted to make declarations, we suggest that this should be limited to recognised public bodies such as Health and Wellbeing Boards, expert charitable bodies and similar.

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.

We strongly agree that the measures listed in table 4 should not count towards the RSMR.

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.

Pre-installation checks will be an important quality assurance tool. Further we believe higher rates of mid-installation inspections should also be introduced to discourage malpractice.

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.

While we agree that efforts should be made to check the depth of pre-existing loft insulation during a post-installation technical monitoring inspection, we believe this may prove challenging in practice. Insulation may have been removed or it may be difficult to distinguish between old and new layers. Pre installation technical monitoring is better suited to detecting malpractice in this area. Higher rates of mid-installation inspections could also discourage malpractice.

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.

The proposals to evidence occupancy appear to be over complicating what should be easily confirmed during a simple visual inspection. If there is any doubt over whether a building is new build, reference can be made to the Land Registry.

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.

Please see our answer to Q17

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.

We agree with any proposal that prevents the delivery of ECO measures to new build extensions instead of targeting poorly performing existing buildings and fuel poverty.

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.

Please see our answer to Q17

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.

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.

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:

- trades must be to the receiving supplier's licence with the biggest original obligation
- an application must include the annual turnover of the licence that would be taking on additional obligations, and
- 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.

Collecting the PAS certification number is an essential piece of information in the notification that confirms a PAS certified installer was used.