November 2015

ECO2 Technical Requirements Ofgem Consultation

Consultation response submitted by ROCKWOOL Limited

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About ROCKWOOL

The ROCKWOOL Group is a leading global supplier of insulation products for residential and commercial buildings. We are the largest producer of stone wool insulation and the second largest insulation manufacturer of any type in the world. We operate 28 factories across three continents, including our UK factory in Bridgend.

ROCKWOOL provides a comprehensive range of insulation products. Our insulation is created from a natural, sustainable resource – volcanic rock – and is 97% recyclable. During its lifetime, a typical ROCKWOOL insulation product will save more than 100 times the energy used in its manufacture.

ROCKWOOL welcomes the opportunity to respond to Ofgem's consultation on the technical requirements of ECO2. Over the course of the EEC, CERT-CESP, ECO and Green Deal schemes, ROCKWOOL engaged extensively with all key elements of the supply chain and we have an in-depth understanding of the performance of these initiatives.

Executive summary

Lifetime for wall insulation measures without an appropriate guarantee

ROCKWOOL supports Ofgem's proposal to strengthen consumer protection by changing the default lifetime to 0 years for wall insulation where an appropriate guarantee is not available. We also urge Ofgem to emphasise in its guidance that its default position is that any measure without an appropriate guarantee is ineligible under ECO and as such is likely to be rejected through Ofgem's standard rejections process.

It is important that lifetimes are not awarded for wall measures without guarantees as the absence of a guarantee and its associated quality framework removes the surety that the work has been undertaken to an appropriately high standard. To award lifetimes to measures without appropriate guarantees would risk incentivising non-compliance, which denies the consumer recourse to guaranteed redress should there be a problem in the future. Ultimately, the absence of an appropriate guarantee not only puts the lifetime energy savings at risk but also the long-term structural integrity of the building itself.

Technical monitoring questions for remote re-inspection

ROCKWOOL does not agree with Ofgem's proposals to allow ECO technical monitoring reinspections to be undertaken remotely following the completion of remedial works, especially for IWI.

Remote inspection is not adequate to determine whether works and repairs have been properly undertaken in accordance with the design details issued by the system certificate holder. It is critical for both the longevity of the system and the validity of the system guarantee that the correct materials are used and that they are properly installed by a

trained, carded installer. A physical inspection is necessary to determine what materials have been used and whether they have been properly installed.

Consultation Questions

Lifetime for wall insulation measures without an appropriate guarantee

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

Yes, ROCKWOOL strongly agrees that agrees that the default lifetime for wall insulation measures without an appropriate guarantee is 0 years. We also urge Ofgem to emphasise in its guidance that its default position is that any measure without an appropriate guarantee is ineligible under ECO and as such is likely to be rejected through Ofgem's standard rejections process.

1.2 Please give reasons for your answer.

It is important that lifetimes are not awarded for wall measures without guarantees as the absence of a guarantee and its associated quality framework removes the surety that the work has been undertaken to an appropriately high standard. To award lifetimes to measures without appropriate guarantees would risk incentivising noncompliance, which denies the client recourse to guaranteed redress should there be a problem in the future. Ultimately, the absence of an appropriate guarantee not only puts the lifetime energy savings at risk but also the long-term structural integrity of the building itself.

We are pleased to note and support Ofgem's stated position in *ECO1 Closedown Update - Lifetime for wall insulation measures without an ECO appropriate guarantee*¹ that "It is our interpretation that the policy intent under ECO is for wall insulation measures to be accompanied by a 25 year guarantee for the purposes of consumer protection and to protect the associated lifetime savings."

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?

No, ROCKWOOL does not agree that lifetimes could be awarded in instances where appropriate guarantees are not available.

2.2 Please give reasons for your answer.

Without the quality framework provided by an appropriate guarantee, it is unlikely that it would be possible for Ofgem to verify whether a measure had been installed to an appropriate standard. More importantly, the client would have no recourse to a

¹ <u>https://www.ofgem.gov.uk/publications-and-updates/eco1-lifetime-wall-insulation-measures-without-appropriate-guarantee</u>

guarantee should there be a problem in the future. Ultimately, the absence of an appropriate guarantee is against the consumer's interest as it not only puts the lifetime energy savings at risk but also the long-term structural integrity of the building itself. This risk would then be borne by the original owner and any future owners.

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?

No. As stated in our responses to questions 1 and 2 above, we believe that any measure without an appropriate guarantee should be ineligible under ECO and should be rejected via Ofgem's standard rejections process.

3.2 If yes, please provide details. N/A

Technical monitoring questions for remote re-inspection

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

No, we do not agree that remote re-inspections are appropriate.

4.2 Please give reasons for your answer.

Remote inspection is not adequate to determine whether works and repairs have been properly undertaken in accordance with the design details issued by the system certificate holder. It is critical for both the longevity of the system and the validity of the system guarantee that the correct materials are used and that they are properly installed by a trained, carded installer. A physical inspection is necessary to determine what materials have been used and whether they have been properly installed.

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

No, we do not agree that it may be possible to remotely re-inspect the technical monitoring failure types suggested in Appendix 1.

5.2 Please give reasons for your answer.

As stated in our response to question 4 above, we do not consider that remote inspection is adequate to determine whether works and repairs have been properly undertaken.

5.3 Please list those questions in Appendix 1 where you disagree with the proposal. Please explain your reasons.

We would particularly like to highlight Reference IWI.7 in Appendix 1: We do not agree that remote monitoring can determine whether the sealing is effective around all adjoining insulation boards, walls, ceilings and floors. Photographic evidence can show whether a seal is present but not whether it is fully bonded. An effective bond is

needed in order for the seals used in vapour-closed IWI systems to restrict the movement of moisture. Without effective seals, the system may not perform properly and the building fabric and its occupants may be put at risk from the potentially adverse effects of moisture.

5.4 Please list any other failure types that you feel should be included. Please explain your reasons.

No further comment.

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?

As stated in our response to question 4 above, we do not consider that remote inspection is adequate to determine whether works and repairs have been properly undertaken.

However, should remote re-inspection be allowed, a minimum condition should be that the technical monitoring agent has deemed it possible during their original inspection.

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?

As stated in our response to question 4 above, we do not consider that remote inspection is adequate to determine whether works and repairs have been properly undertaken.

However, should remote re-inspection be allowed, a minimum condition should be that re-inspections must be conducted using photographs taken before and after remedial works and original photographs must be taken by the monitoring agent during their original inspection.

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

As stated in our response to question 4 above, we do not consider that remote inspection is adequate to determine whether works and repairs have been properly undertaken.

However, should remote re-inspection be allowed, a minimum condition should be that the photographs need to be GPS location-stamped.

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.

As stated in our response to question 4 above, we do not consider that remote inspection is adequate to determine whether works and repairs have been properly undertaken.

However, should remote re-inspection be allowed, the technical monitoring agent should be able to request additional evidence to assist with the remote re-inspection as determined on a case-by-case basis.

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

As stated in our response to question 4 above, we do not consider that remote inspection is adequate to determine whether works and repairs have been properly undertaken.

However, should remote re-inspection be allowed, the remote re-inspection should be conducted by the same agent that conducted the original site audit as this person will have first-hand knowledge of the repairs needed and may therefore be able to pick up at least the most obvious, glaring shortfalls in remedial work.

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? As stated in our response to question 4 above, we do not consider that remote inspection is adequate to determine whether works and repairs have been properly undertaken.

However, should remote re-inspection be allowed, the technical monitoring agent must be required to conduct a site audit if there is any doubt in the evidence assessed during the remote re-inspection.

- 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? Yes, we believe that monitoring agents should monitor at least 20% of re-inspections. Reporting at the end of ECO1 showed that all energy companies achieved the required 5% standard monitoring rate, with some monitoring being undertaken at rates approximately double this minimum level. It is therefore considered appropriate to double this business-as-usual rate of monitoring to 20% for failing, work requiring remedial action.
- 6.8 Please provide any further suggestions for processes that may increase the accuracy of remote re-inspections, or enhance consumer protections. No further comments.
- **7.1.** Please estimate the time that could be saved by these proposals? No further comments.

For further information on this submission, please contact:

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