



Microgeneration Certification Scheme (MCS)

MCS Response to the MCS Equivalence Stage 2 Consultation

3rd February 2016

INTRODUCTION

MCS is the most advanced microgeneration certification scheme in the world. It has changed and adapted over time as it was used in the support of the Feed-In Tariff (FIT) and Renewable Heat Incentives (RHI). This ability to bring together the industry and provide a support mechanism for consumers, government, regulators and the industry has ensured its success to date. The scheme is continuously having to look inward and outward to ensure that it remains relevant, balanced and continues to meet, as best it can, all its stakeholders' needs.

The first stage response by Ofgem appears to have provided MCS Equivalent organisations the ability to be either an installer company certification scheme that can utilize other product certification or that cover both installation companies and products.

General comments

While not looking to be anti-competitive, MCS would ask Ofgem to carefully consider at what point new scheme owners' consumers are allowed to claim DRHI and at what point companies and products are recognised as certified under the new schemes. MCS, in its early days, provided a transitional arrangement for certified installer companies and products.

The rationale for this was to ensure the transition from Clear Skies and the Low Carbon Building Programme to MCS was completed in as seamlessly as possible. At that point it was seen as important due to the withdrawal of other government schemes and potentially having a restricted volume of MCS installer companies, and in particular MCS products registered on the MCS database. Therefore, a transitional arrangement was deemed appropriate to ensure that the development of an embryonic industry was not stalled.

Given that transition was about a lack of market capacity, and MCS is now well established, we would urge Ofgem not to use the same process. A key issue created by transitional arrangements is the consumer is often left in limbo because certification bodies state they have no certification in place during transition and therefore have no ability to manage poorly performing companies or products that were in the transition period. We would be happy to further discuss transitional arrangements, the MCS experience and the challenges it creates with Ofgem separately to our submission.

We would also highlight there are considerable differences between self-certification and independent 3rd party certification.

We agree that it is important that the Code Sponsor route is maintained against a recognised, consistent, verifiable and controlled code – MCS has worked well with and found the CTSL route very capable.

Under ISO/IEC 17067 and ISO/IEC 17065 there is a requirement to have an open engagement with stakeholders to ensure that the scheme requirements are not restrictive. MCS has spent a lot of time, effort and money ensuring the proper engagement is available for stakeholders at every point in the scheme's development and management of scheme requirements. It would be hoped that the engagement aspects of other schemes would be reviewed to ensure that this is not lost.

Another key aspect of the certification process is ensuring the impartiality of the system.

For those certification bodies already under accreditation through an MLA accreditation body this is in place. However, certification scheme owners will also have to be cognisant if certification bodies are servicing more than one equivalent scheme. It would be interesting to understand Ofgem's view on how a scheme will carry out this review and what the acceptance criteria would need to be.

Q1.a. *In your opinion, are the proposed scheme requirements [outlined in Section 5] sufficient to ensure that an equivalent scheme is set up appropriately? If not, please explain your answer.*

As a general comment, transparency of the process and decisions will be an important factor in developing confidence from other scheme operators. In the workshop we attended it was also pointed out by many participants that the 'devil is in the detail' and we would echo that again.

For instance, in the executive summary on the 3rd paragraph, the scheme claiming equivalence needs to ensure that certification systems are in place or by 'some other verifiable means' there is a substantial difference between having a product verified and certified and being able to be verified. The first demonstrates it has met the compliance requirements,

whilst the latter means it may or may not meet them 'if' it was verified. This may sound a bit like semantics, however, it is an important distinction to make when we discuss equivalence.

MCS believe equivalence will need to consider:

1. What the scheme requirements contain. The two ISO/IEC standards/ guidance have clauses that may be widely interpreted;
2. The process by which Ofgem review them;
3. What the accreditation body is accrediting a certification body against;
4. The ability for stakeholders to engage in the scheme; and
5. Ensuring that the certification scheme treats all organisations fairly. The schemes will need to ensure that the robustness of the scheme can be maintained whatever the size, type or operation of the business. This is a key Accreditation requirement.

Q1.b. *In your opinion, do the 'fundamentals' of a certification scheme as defined in EN ISO/IEC 17067 contain any requirements that are not necessary for equivalence to MCS? If so, please explain your answer and provide examples.*

No. These are internationally developed documents that have been peer reviewed and updated recently. Conformity Assessment is fundamental to providing confidence and trust in the market.

That said, the interpretation of these standards will be key to ensuring equivalence, as the clauses are not detailed in delivery.

It is important to understand that certified installation companies have to have processes, procedures and documentation that can be verified against. Without clearly written documentation and evidence it is difficult to assess how the detail of verification and auditing will work in practice.

Q2.a. *In your opinion, are the Terms of Reference for the assessment panel [outlined in Appendix 2] appropriate and sufficient? If not, please explain your answer.*

The selection panel route does make sense, however, it will be important for those selected as assessors to be clearly independent and not conflicted. Given the nature of the assessment

process, it may be difficult to find truly independent panel members with a depth of knowledge needed to carry out this process.

There is no indication of the time likely to be expended by the Assessment Panel. This process will and should be detailed and demanding to ensure that the MCS Equivalence conclusion is balanced and appropriate. Does Ofgem have any indications of how long this would take?

Q2.b. In your opinion what qualification, experience or organisational representation would suitably qualify someone to be a representative on this panel? Please explain your answer.

One key consideration will be the ability to have a deep understanding of what certification is and how it works. Another will be to understand the inter-relationships between different elements of scheme ownership, certification, legislation and regulation.

Q3.a. In your opinion, will the proposed assessment process [outlined in Section 6] enable Ofgem to robustly assess scheme equivalency to MCS? If not, please explain your answer.

The general process appears to be appropriate.

It would be helpful to understand what Ofgem's view is on the technical review process and whether it would require physical review or just Accreditation Body audit and accreditation of the certification body?

It may not be sufficient in the first stages just to look at written evidence. Certification scheme owners will need to demonstrate their understanding and competencies with regards certification, obligations under UK and EU legislation and regulation. This understanding is not necessarily evident just from written evidence.

What certification body involvement will you expect to see in the development of an equivalent scheme? This will be important as the delivery of certified installation companies and products that are competent and compliant is key to confidence and trust in the industry. To have equivalence to MCS and the robustness of those installing the systems and manufacturing the products, requires effective policing and enforcement. That is the role of the certification bodies. Consumers, UKAS and MCS have raised in the past, issues and perceptions around

member organisations being seen as too close to the certification process and we would urge Ofgem to review this carefully to ensure perception and does not become reality.

What frequency of certification will Ofgem see as being appropriate and how will that be assessed?

At what point would Ofgem require the equivalent schemes' certification bodies to be able to demonstrate accreditation to the scheme requirements, because the scheme is only truly going to be equivalent if an installer company or product company are certified.

MCS is unsure that it is appropriate to permit scheme equivalence to be consumer driven. This would appear to be far too late in the process.

The prospective scheme should have already developed a scheme and its requirements before a consumer is involved. That said, it may well be appropriate for the scheme owner to accept a limited number (1-3) installations to be evaluated as part of the certification scope accreditation process. If this is allowed MCS would suggest that the installations need to be evaluated against the MCS Equivalent scheme requirements and not from any other scheme or previous requirements. E.g. it needs to be relevant to the specific scheme it is being used to help assess.

Q3.b. In your opinion, does the proposed assessment process [outlined in Section 6] contain any additional stages that are not necessary for assessing equivalence to MCS? If so, please explain your answer and provide examples.

What will be the on-going maintenance process for the scheme? The Accreditation body will provide certification body surveillance to the Scheme owner's standards and BS EN ISO/IEC 17065, however, what will be required of the scheme owner? Given MCS will be functioning and updating its scheme documents as necessary, how will that translate into maintenance by others? Who will police this, and how? It will be critical that all the schemes are aligned at all times.

Will Ofgem be looking for other schemes to be notifying the EU in the same way as MCS currently must do for its products?

MCS has now established a set of Minimum Technical Competencies (MTC) for each of the technology installer companies. Do the other schemes have to have the same set or equivalent set of competency criteria and how will that be aligned and assessed by Ofgem?

Appendix 14. MCS links to consumer codes of conduct through the CTSI. Within these codes there are requirements for Workmanship Warranties and Insurances. Has Ofgem considered what the requirements will be in this regard?

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