Energy Company Obligation (ECO)
Deemed Scores Consultation Questions

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Background

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

https://www.ofgem.gov.uk/publications-and-updates/eco2-consultation-deemed-scores

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** by **close of business on 8 July 2016**.

1. Respondent Details

Organisation Name:	Heatwave Energy Solutions Limited
Completed By:	Simon Taylor
Contact Details:	07772 196161 Simon.taylor@heatwave-energy.com

2. Methodology

Q1. Do you agree with our selection of the key variables to use as the main inputs for calculating the deemed scores?

- ○ Strongly Agree
- ○ Agree
- ◉ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ Don't Know

If not, please clarify which aspect you do not agree with and suggest an alternative, with reasoning.

3. Property Archetypes

Q2. Do you agree with the method used in developing typical property archetypes in order to remove the need for measuring property dimensions?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ◉ Disagree
- ○ Strongly Disagree
- ○ Don't Know

If not, please clarify which aspect you do not agree with and suggest an alternative, with reasoning.

In our area of operations (Northern England), there are a large number of stone-built houses with cavity walls. These are not recognized within the English Housing Survey 2013, and so have been historically neglected by previous energy efficiency schemes.

Stone properties with cavities have been eligible for energy-saving measures (e.g. insulation) under previous and current ECO schemes, and indeed appropriate guarantees are in existence (approved by Ofgem). Current ECO submission rules allow for u-values to be overwritten for this type of property, and it is our view that this very common type of housing construction should be allowed for within the deemed scores framework.

4. Primary Heating Sources

Q3. Do you agree with the approach to accounting for all primary heating sources present in the housing stock?

- ○ Strongly Agree
- ◉ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ Don't Know

If not, please explain your reasoning and evidence your preferred approach.

Q4. Do you agree that we have appropriately accounted for heating systems present in the housing stock either as an input for the deemed scores or in Table 1?

- ○ Strongly Agree
- ◉ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ Don't Know

If not, please clarify which additional heating systems you believe need to be accounted for.

5. Measure Types

Q5. Do you agree that the deemed scores include all main measure types?

- ○ Strongly Agree
- ◉ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ Don't Know

If not, please clarify which additional measure type you expect will be installed.

Q6. Do you agree with our proposals for differentiating within measure types?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ◉ Strongly Disagree
- ○ Don't Know

If not, please clarify where alternative differentiation should be applied.

As stated above, stone properties are prevalent in our areas of operation. These properties may not be suitable for insulation using mineral wool or bead. As such, homeowners are denied access to funding unless a suitable product such as PU foam is used. Typically, PU foam insulation is more expensive to install when compared to inferior wool or bead. However, in addition to providing a solution for cavity wall insulation, additional benefits are apparent such as the flood resilience which is achieved by the fitting of a closed cell PU foam barrier which is impervious to water ingress.

We believe that this type of multi-faceted and innovative protection should be encouraged, but unfortunately the lack of recognition within the currently proposed deemed scoring system effectively discourages use of the product on cost grounds.

A further issue is that current thermal conductivity values in the deemed score consultation (0.04 to

0.033) greatly underestimate energy saving for products which achieve 0.025 thermal conductivity such as PU foam cavity wall insulation.

In summary, the deemed scores as currently proposed use a "lowest common denominator" approach which does not encourage the use of superior products required to insulate this type of property whilst also providing additional benefits such as structural bonding and flood resilience.

Q7. Are there any measure types where you think that further differentiation is warranted? If so, please clarify which measure type could benefit from further differentiation and suggest an approach.

As above, we believe that it is desirable to differentiate further within the cavity wall insulation measure type to take into consideration the range of products available and the increased performance of some of these products. We also feel it is necessary to differentiate further on property construction as stone and brick have very different u-values.

Q8. Are there any areas where you could benefit from further guidance in using deemed scores?

We would benefit from knowing if deemed scores for stone properties with cavities do exist and what these are.

6. Scores

Q9. Do you agree with the deemed scores produced?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ◉ Strongly Disagree
- ○ Don't Know

If not, please clarify which particular score(s) that you believe do not accurately reflect the savings for a measure.

As set out above, it is our view that the deemed scores (as currently proposed) do not accurately reflect property construction in our area, and consequently do not recognise the enhanced benefits which are achievable through the use of a superior insulation product for energy efficient measures at these properties.

Q10. Do you agree that it would be useful to also provide the deemed scores as lifetime savings (i.e. after applying all relevant multiplication factors), to make the relative value of each measure easier to identify?

- ○ Strongly Agree
- ○ Agree
- ◉ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ Don't Know

7. Percentage of property treated

Q11. Do you agree with the proposal to use 'percentage of property treated' to identify whether 100% of a score should be claimed?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ◉ Disagree
- ○ Strongly Disagree
- ○ Don't Know

If not, please explain your reasoning.

In order to accurately reflect the area of the property treated where this is less than 100% the calculation requires the property to be measured and not just assumed that all elevations/areas around the house are equal.

8. New Scores

Q12. Do you agree with our proposed approach for applying for a new score from April 2017?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ◉ Strongly Disagree
- ○ Don't Know

If not, please explain your reasoning, which specific parts of the process you do not agree with and inform us of your preferred approach.

We agree in principle of the simplification of the process and the potential cost savings is welcomed but not at the expense of accurate scores and the over simplification of a system which ignores large sections of the housing stock of the country.

These properties could benefit from energy efficiency measures and help energy suppliers to achieve carbon reduction, but will not under the current recommendations.

Q13. Do you agree that we should determine whether or not to accept an application, and specifically what is a 'significant' improvement in score, on a case-by-case basis?

- ○ Strongly Agree
- ○ Agree
- ◉ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ Don't Know

9. Score Monitoring

Q14. Do you agree that a DEA is not required to check inputs used when identifying a deemed score for a measure?

- ○ Strongly Agree
- ○ Agree
- ◉ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ Don't Know

If not, please clarify why you do not agree and provide an alternative approach with your reasoning.