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:	Glen Dimplex Heating (GDC Group Ltd)
Completed By:	Rowena McCappin (Project Director)
Contact Details:	rowena.mccappin@glendimplex.com 078 87 507 558

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.

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.

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.

No comments

Q8. Are there any areas where you could benefit from further guidance in using deemed scores?
No comments

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.

We strongly disagree with the deemed scores produced for Qualifying Electric Storage Heaters. In particular, those for High Heat Retention Storage Heaters.
Having reviewed the deemed score produced against calculated SAP 2012 scores it is our view that they understate the saving achieved by High Heat Retention Storage heaters. The comparison suggests that the deemed scores do not consistently reflect the saving expected for the age profile of typical electrically heated homes.

For example, the proposed deemed score for replacing a QESH with a high heat retention storage heater in a 2 bed flat is £404 (assuming property is 100% heated). Using SAP 2012 to calculate the running cost saving for a typical, electrically heated 2 bed flat produces a saving of £654 for a 1960 building standard property and £394 for a 1990 building standard. The proposed deemed score reflects the saving for a 1990 building standard, however statistics tell us that more than 80% of English housing stock was built pre 1990*

*English Housing Survey Report 2015

The proposed deemed scores are skewed in favour of replacing a QESH with a slimline storage heater. This goes against the forthcoming Ecodesign regulations which will ban the use of slimline storage heaters from 2018.
As most of the installed storage heaters in the UK are slimline heaters the reality is that a broken slimline heater could be replaced by a new slimline storage heater which will not address fuel poverty. Upgrading to high heat retention storage heaters is required to address fuel poverty.

Furthermore, we believe that Qualifying Electric Storage Heaters and in particular High Heat Retention Storage heaters should be eligible for a non gas uplift. It is evident that there are minimal numbers of high heat retention storage heaters being deployed under ECO 2 and we believe that this is because the incentive is simply not strong enough to interest eligible home owners.

We would welcome the opportunity to discuss the above points with Ofgem and DECC directly.

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.

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.

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.