



Bringing Energy
Together

Response to Ofgem ECO2 Consultation on Technical and Score Monitoring October 2016

Context

The ADE is the UK's leading decentralised energy advocate, focused on creating a more cost-effective, efficient and user-orientated energy system. The ADE has more than 100 members active across a range of technologies, and they include both the providers and the users of energy. Our members have particular expertise in combined heat and power, district heating networks and demand side energy services, including demand response.

We welcome the opportunity to respond to the Office of Gas and Electricity Market's consultation on Technical and Score Monitoring for the Energy Company Obligation (ECO). Specifically, we have noted that:

- The Government should clarify questions about wall areas, cavity walls and the provision of working space heating and hot water.
- Regarding the shift to deemed scoring for all technologies except District Heating—a shift that we strongly oppose—the ADE is asking for clear guidance on how to implement SAP/RdSAP for District Heating, specifically, for guidance on a statistical method for cloning or duplicating monitoring activities to avoid the unnecessary checking of every property under consideration.

Call for Evidence: Response to Consultation Questions

Eight: District Heating System questions

DHS measure type	Question Number	Question
Precondition 1: for all non-multi-storey properties and all top floor premises in multi-storey buildings	DHS.1	Is 50% or more of all roof areas or exterior facing walls insulated?
Precondition 2: All premises in multi-storey properties excluding premises on the top floor	DHS.2	Are any of the following true: -One or more parts of the exterior-facing walls of the multi-storey building in which the premises is located are of solid wall construction;

		-All cavity walls have been insulated with cavity wall insulation; or -Any cavity walls which have not been insulated have visible signs to indicate they cannot be insulated with cavity wall insulation.
All DHS measures	DHS.3	Does the DHS measure provide working space heating in the domestic premises?
All DHS measures	DHS.4	Does the DHS measure provide working hot water in the domestic premises?

8.1 Do you think questions DHS.1 and DHS.2 are sufficient to check if the pre-conditions have been met for a DHS measure, where applicable? If not, please indicate if you believe questions should be added, removed, or changed.

The ADE agrees, with caveats. The technical monitoring questions do not check the quality of installation for a DHS measure, but instead verify, where applicable, that either of two pre-conditions for DHS measures are met. Because Ofgem became aware during ECO that people were confused about whether DHS technical monitoring applied to all DHS measures, the proposed change will clarify which question applies to a DHS measure.

Our caveats are as follows:

Precondition 1/DHS.1: We would like to clarify the wording of this question. We take this to question to mean 50% of all roof areas or 50% of external walls, not 50% of all roof areas and external walls. Moreover, it is not clear whether this question would require visiting every single unit to answer this question.

Precondition 2/DHS.2: Regarding whether cavity walls which have not been insulated have visible signs to indicate that they cannot be insulated, some such walls may not be insulated for reasons that are not visibly apparent, including incompatible material, poor access or obstructions or blockages.

DHS.3 & DHS.4: Regarding the provision of working space heating and hot water in domestic premises, it is unclear whether this would require that every single property needs to be visited. If so, this could represent a significant burden for industry.

Deemed scoring, cloning

The ADE has opposed the switch to deemed scoring for all technologies except District Heating because it will create an unlevel playing field that will create different risk profiles for different solutions, and make it challenging for suppliers to make like-for-like comparisons across different solutions to find the most cost-effective option. We view District Heating as a cost-effective solution that could produce further savings under ECO with a non-SAP mechanism that does not

apply an in-use factor. This could include using networks' own data and calculating the savings from switching sources.

If the Government is proposing to retain SAP/RdSAP to assess savings for District Heating, the sector needs clearer guidance on applying SAP, for example, on issues such as 'cloning', which is a procedure for ensuring compliance across a large number of properties without having to check each individual property. On large housing estates there are many variations on the shape of each flat. Some flats are unique, but many are duplicated. Because visiting each flat presents a significant burden for network owners and managers, we would seek some sort of statistical approach to visit a representative sample and then 'clone' or duplicate the results. BRE has provided guidance on cloning:

[http://www.bre.co.uk/filelibrary/training/.../ENERGY Sampling methodology v1 1.doc](http://www.bre.co.uk/filelibrary/training/.../ENERGY_Sampling_methodology_v1_1.doc)

We would welcome the opportunity to consult further on the parameters of a cloning/duplication procedure for monitoring purposes.

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