

# EUA response to The Fuel Poor Network Extension Scheme (FPNES) Governance Document

## About us

The Energy and Utilities Alliance (EUA) provides a leading industry voice helping shape the future policy direction within the sector. Using its wealth of expertise and over 100 years of experience, it acts to further the best interests of its members and the wider community in working towards a sustainable, energy secure and efficient future. EUA has seven organisational divisions - Utility Networks (UN), the Heating and Hotwater Industry Council (HHIC), the Industrial & Commercial Energy Association (ICOM), the Hot Water Association (HWA), the Manufacturers' Association of Radiators and Convectors (MARC), the Gas Vehicle Network (GV Network) and the Manufacturers of Equipment for Heat Networks Association (MEHNA)

The Energy and Utilities Alliance (EUA) is a company limited by guarantee and registered in England. Company number: 10461234, VAT number: 254 3805 07, registered address: Camden House, 201 Warwick Road, Kenilworth, Warwickshire, CV8 1TH.

## Response

Firstly, EUA would confirm our support for the Fuel Poor Network Extension Scheme. We believe that this scheme provides vital assistance for homes to connect to a cheaper and more affordable energy source. It is a vital tool in reducing fuel poverty.

The criteria for eligibility offered by Ofgem provide the GDNs and the fuel poor households a degree stability of eligibility. But we are mindful that more can be done to

make it possible for a household to have a simpler customer journey and we could provide a more inclusive service for those who find it difficult to provide evidence. Where the eligibility of a household rests upon being in receipt of means tested benefit; we could provide a more inclusive service if GDNs were granted a licence to use the DWP data match service. Currently it is only available to energy suppliers and those offering ECO services. However, we are expecting changes to the data warehouse as the successor for ECO 3 is developed for 2022. It would be the most opportune moment for a change to be made and GDNs to be included in these data services. We recognise that Ofgem alone do not have the remit to make these changes alone but we would ask that you work with the GDNs to address these disparities with the relevant government bodies to update the digital inclusion act and other relevant legislation and guidance.

#### Paragraph 1.2 and 2.2:

We are supportive of the scheme applying of households that are formed from the splitting of an existing property, however the initial property does not necessarily need to be a domestic property. There may be commercial premises that are split into multiple properties in which there are households that qualify for an FPNES connection, therefore no requirement for the word 'domestic' in reference to splitting of existing properties.

We would propose alternative text of: 'The scheme applies to existing domestic properties or to domestic properties that result from the splitting of an existing property into multiple properties.'

#### Paragraph 2.3

The term 'subject to' does not appear to be the right terminology to use. Should it be 'except for'?

For example, 'Except for the FPNES in-fill mechanism described in paragraphs 2.9 to 2.12'

#### Paragraph 2.12

The document states that no more than 25% of the total FPNES connections delivered in GD2 can come from in-fill schemes. This sets a cap on legitimate fuel poor connections contained within in-fill projects that are enabled by non-fuel poor properties in the same MOB building, Cul-De-Sac etc. However, the cap should apply to the amount of non-fuel poor connections that receive the voucher and not connections that were already eligible. Ofgem to clarify that the 25% cap relates to the households that would not otherwise be eligible to receive an FPNES connection and does not include the households that are eligible for an FPNES connection but received an FPNES connection through the in-fill (GDN-flex) mechanism. An example to illustrate would provide complete clarity.

#### Paragraph 2.15

We are supportive of the change to require GDNs to advise and assist customers in checking whether gas is the best solution through communicating the various tools available e.g. Simple Energy Advice website. However, the wording in the sub heading and previous paragraph must reflect this change.

#### Paragraph 2.15 (b)

Ofgem to clarify what this means? If it means other alternative energy solutions, then this is not required as the outcome of the SEA tool will provide this. If it is in reference to third party connections, then this should be specified.

#### Paragraph 2.16 (c)

We are supportive of these requirements if it consists of generic advice and communications. However, improving energy efficiency should not include household specific in-depth consultations that is beyond a standard offering and will require further investment potentially through the VCMA allowance.

Through-out document where 'FPNES in-fill mechanism' is used

The term 'in-fill' has a different meaning in the operational environment and could cause confusion. We propose the use of the term 'FPNES GDN-flex mechanism' instead.

We would recommend changing the terminology from 'FPNES in-fill mechanism' to 'FPNES GDN-flex mechanism'