Newsletter

January 2015



PROTECTING CONSUMERS AND PROMOTING RENEWABLES

Welcome to the Winter edition of the RECC Newsletter

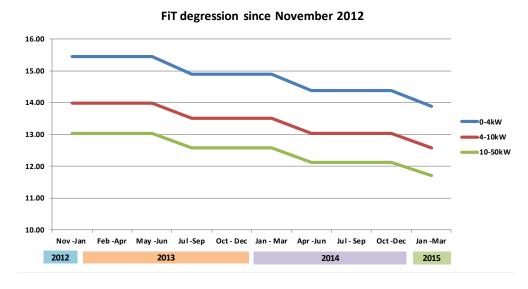
Happy New Year and welcome to the eighth edition of the newsletter. This edition brings you up-to-date with recent publications, news and exciting developments over the last three months. It also looks ahead

at some events up coming this year - we hope to see you there.

M Mark Cutler, Editor



New Feed in Tariff rates



From 1 January 2015 the FiT rate for solar PV installations up to 4kWp has been 13.88p/kWh. From 1 April 2015 it will be 13.39p/ kWh. The export tariff will be 4.85p/kWh.

Degression, the price control mechanism by which the Feed in Tariffs (FiTs) are cut by a set amount as a result of capacity deployment over a set period, is having a stabilising effect on the scheme, according to the latest Ofgem annual report. In 2013-14, Year 4 of the scheme, 91,861 installations were registered compared with 131,650 in Year 3 and 217,455 in Year 2.

Degression was introduced for solar PV technologies in November 2012. Cuts in tariffs for new installations can be made guarterly depending on the level of deployment in the preceding period bar one. During Year 4 the degression scheme was triggered only once - on 1 July for installations over 50Kw.

The degression mechanism can also cut tariffs automatically every nine months regardless of levels of deployment. This occurred on 1 May 2013 and 1 January 2014 for installations over 50kw and stand alone and on 1 July 2013 for installations up to 50kw.

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RECC ON TWITTER

You can now follow RECC on Twitter @TheConsumerCode, for **RECC** and industry news and updates.

Consumers back Domestic RHI

The Department of Energy and Climate Change (DECC) has published its census of people who applied for the Domestic Renewable Heat Incentive (DRHI) from April 2014 to the end of August.

It shows a very high level of satisfaction with 89% of applicants saying that they were very or fairly satisfied with renewable heating technology and 75% saying that they were satisfied or very satisfied with the DRHI application process.

Over 60% of applicants found no difficulty in meeting the DRHI requirements. Among the 39% who did experience problems the most frequent one cited (by 16%) was lack of clarity about the DRHI application process. Over 80% found the application form very or fairly easy and 71% reported no problems with their application. The most common problem - experienced by 11% of applicants - was having their initial application rejected.

Their experience of using renewable heating technology had also been largely positive. 64% had not experienced any problems since installing their technology. Only 21% mentioned problems with technical and practical issues and 19% said that they had difficulties with their installers or assessors.

The census also asked about why the applicants had decided to install renewable heating technology. Financial considerations and environmental concerns were the most common drivers. 70% wanted to reduce their dependence on fossil



fuels and 67% wanted to help the environment.

When asked how they learned about the domestic RHI 61% of applicants said they had found out about it through their installer.

SOLAR FRAUD: SIX ARRESTS & CALL For witnesses

In December last year the Serious Fraud Office (SFO) announced that it had opened a criminal investigation into Solar Energy Savings Limited and the contracts it entered into for the supply and fitting of domestic solar panels.

As a result of that investigation six arrests have been made and a number of search warrants executed at properties in Cheshire, Merseyside and Scotland. Police forces in Cheshire, Merseyside and Scotland and the National Crime Agency assisted the SFO. The investigation is ongoing.

Solar Energy Savings Limited had been wound up in 2012 by the High Court in Manchester following an investigation by Company Investigations of The Insolvency Service. This found that the company had engaged in serious mis-selling tactics and had persistently flouted statutory regulations in order to persuade members of the public to sign a contract with them.

The SFO is calling for information from witnesses, particularly from those in the north of England and Scotland. You can find more information <u>here.</u>

DRHI legacy deadline

Renewable heating systems that were installed between the announcement of the Renewable Heating Initiative on 15 July 2009 and the launch of the Domestic RHI on 9 April 2014 are known as legacy installations. People who installed these and now wish to receive the Domestic RHI have until 9 April 2015 to apply.

If they received the Renewable Heating Premium Payment (a one-off grant towards the cost of installing the system) this amount will be deducted evenly from their Domestic RHI payments over the seven years' lifetime of the scheme. This is to avoid paying a double subsidy and also applies to people who received a grant from public funds from another source.

Legacy applicants have to provide details of a Green Deal Assessment and meet other requirements before applying. Ofgem have published an essential guide for applicants and The Energy Saving Advice Service can also provide help and information. Call 0300 123 1234 (England and Wales) or 0808 808 2282 (Scotland).

DECC calls for evidence on DRHI funding

DECC has published a call for evidence to gather information on the impacts, barriers, benefits and possible risks associated with introducing flexibility to allow third party providers of finance who are not the home owner or occupier into the Domestic RHI.

The rationale is that greater flexibility around financing may open up the scheme to more consumers by helping home owners overcome the upfront costs of purchasing and installing renewable heating systems.

Key issues for consideration include:

- Whether third party financing should be possible for all technologies;
- Whether third parties require a different tariff to other participants;

- Whether additional consumer protection measures are required;
- Whether changes are required to scheme administration;
- Whether the introduction of third party financing would lead to an increase in levels of deployment and if so, by how much;
- What impact the anticipated increased levels of deployment might have on the budget management of the scheme; and
- The detailed and delivery differences between assignment of rights and third party ownership.

The Call for Evidence will run for six weeks from 28 January until Friday 13 March 2015. Further details can be found <u>here.</u>

Further DRHI Regulation changes

Other changes to the Domestic RHI due to come in soon, providing they get parliamentary approval, include:

- Cooker stoves to become eligible.
- High temperature heat pumps, 80°C up, to become eligible.
- RHI regulations to refer to the new MCS standards for heat pumps, solar thermal and the updated Heat Emitter Guide.
- Social Landlords will no longer require a Green Deal Assessment.
- Regulations will clarify the situation when heating systems provide heat to properties with more than one building.

Further details can be found <u>here</u>. The MCS standards updates that have been referred to can be found below.

MCS installer standards updates

The Microgeneration Certification Scheme (MCS) recently revised some of its installer standards.

- Overarching Installer requirements (MCS 001) A clarification has been added that the certified company holding a contract with a customer must also register the system on the MCS Installation Database using their company user account.
- Solar heating standard (MIS 3001) The required handover documentation has been updated to remove any areas of duplication.
- Heat pump standard (MIS 3005) Installation requirements have been added for new product categories including very high temperature heat pumps, hot water heat pumps and solar assisted heat pumps. This includes an update to competency requirements for different heat pump categories. A requirement to enable weather compensation (where appropriate) has also been introduced.
- Heat emitter guide (MCS 021) General formatting changes and likely SPFs have been added for very high temperature heat pumps.
- Additional requirements for MCS installers to become Green Deal authorised (MCS 023) – It has been clarified that Green Deal installers are not required to have a contract with the customer as the Green Deal Provider will have a contract.
- MCS Scheme Matrix The scheme matrix has been updated to reflect changes to the competency requirements for the new heat pump categories.

You can access the standards in full here.

RECC WEBINAR ON CONSUMER CONTRACTS LEGISLATION

RECC is hosting a webinar on 24 February at 11am. Colin Meek, a RECC auditor, will be leading the session on the important changes brought in by the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 which came into force on 13 June 2014.

The webinar aims to provide members with key information about the new legal requirements. The regulations have radically changed some legal definitions including home selling, distance selling and on-premises selling.

We will email and post the details of how you can attend the webinar nearer to the time.

REA launches **UK** Solar



The Renewable Energy Association has launched UK Solar to support and represent over 130 of its existing solar members and to broaden its member base to become the trusted voice of solar power in the UK.

REA Chief Executive Dr Nina Skorupska said:

"The REA is excited to announce the launch of UK Solar. Solar power

is one of the first major renewable energy technologies set to compete with traditional energy sources without subsidy. The integration of solar as a major player in the UK energy mix will transform the power market. Businesses, households and the public sector will see their energy bills reduced. It is the mission of UK Solar to support and drive the transition to this solar future".

The REA has nearly 15 years of experience in supporting the growth of the solar sector. It has built a strong reputation within the government, with regulators and with industry stakeholders. It will be working with its existing solar members to develop a clear path to grid parity with wholesale and retail electricity prices across all sectors of the solar power market.

2015 Events & Shows

Ecobuild

RECC will be exhibiting at Ecobuild 2015 at the Excel conference centre from 3 to 5 March.

Patrick Allcorn from the Department of Energy and Climate Change will give a talk about the benefits of the Domestic RHI from 12.30 to 14.00 on Wednesday 4 March and Ray Noble of the Renewable Energy Association will speak about the role of storage at varying scales from 10.30 to 12.00 on Thursday 5 March. You can register here.

Solar Energy UK Installer Roadshow

Solar Energy UK Installer Roadshow is a series of half day seminars across the UK that provide an accessible, educational opportunity for SME and commercial installers to learn more about all the latest trade essentials for running a successful solar business in the upcoming year.

- Tuesday 10 February Surrey
- Wednesday 11 February Somerset
- Thursday 12 February Manchester
- Tuesday 24 February Edinburgh
- Wednesday 25 February Yorkshire
- Thursday 26 February Leicester

BOOK NOW using the exclusive RECC 20% discount code: RECC20



RESPONSIVE WEBSITE

RECC has made some important updates to its website so as to make it more responsive to a wide range of devices. This means that you can now access the website more easily from a tablet or smartphone.

We hope that you like it. If you have any feedback do let us know.



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