Newsletter November 2017
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RECC
RENEWABLE ENERGY CONSUMER CODE

PROTECTING CONSUMERS AND PROMOTING RENEWABLES

Welcome to the Autumn edition of the RECC Newsletter

This quarter has been a busy quarter for RECC and the industry. A number of reports and announcements have been made on Each Home Counts, the Clean Growth Strategy, Green Deal, Electric Vehicles and Smart, Flexible Energy Systems. Read all about these here.

RECC is about to send out our renewal letters to all of our members for 2018. This summarises some of the work RECC has done in 2017. We will also be sending out an email and a link to a survey which we hope you will help us with and complete. The survey is about the member benefits we offer and consumer awareness of the RECC brand.

Next year we will be keeping membership fees the same, for the fourth year running!

Lorraine Haskell, Editor

MCS AND TRUSTMARK TO RUN THE EACH HOME COUNTS QUALITY MARK

The Each Home Counts Board has unanimously agreed that the Quality Mark Framework, the core of its proposed model, will be administered by a joint venture between MCS (once it has been novated) and TrustMark. The Quality Mark will apply to registered firms working across energy efficiency, renewables, and the broader home improvements market.

According to an EHC spokesman: 'Work is continuing to understand fully the potential viability, practicalities, funding and detailed implementation timetable for this option, and further information will be made available after the next board meeting in November.'

Which? finds home owners very satisfied with solar PV

Which? found that householders could expect to make a profit of around £650 over the 20 to 25 years lifetime of the system from savings on their electricity bill and Feed-In-Tariff (FIT) payments. Which? has used figures from the Energy Saving Trust to calculate this.

The majority of the 1,000 solar panel owners Which? surveyed in June 2017 said that their systems had generated the expected amount of electricity, with more of those who had bought their systems over three years ago saying their systems met their expectations to a great extent (75%) than those who had bought them more recently (58%).

Some 68% of owners said that their system had brought the expected financial benefits to a great extent while 28% said it had to some extent. Once again, more of those who had bought their systems over three years ago said they met their expectations to a great extent (73%) than those who had bought them more recently (47%).

Separately, two in three estate agents say that installing solar panels makes no difference to the value of a home, according to a survey conducted by NAEA Propertymark for Which? of 1252 agencies in June 2017. 17% thought that solar panels decreased the value of a home and only 8% believed they increased the value.

IN THIS ISSUE

Government unveils strategy for clean growth

Government unveiled the Clean Growth Strategy on 12 October. In total, the strategy includes 50 policy proposals covering all aspects of clean energy policies. Government has committed, for example, to:

• work with mortgage lenders to develop green mortgage products for energy efficiency improvements;

• improve standards on the 1.2 million new boilers installed every year in England and require installations of control devices to help people save energy;

• reform the RHI, spending £4.5 billion to support innovative low carbon heat technologies in homes and businesses between 2016 and 2021;

• invest around £184 million of public funds to develop new energy efficiency and heating technologies to enable lower cost low carbon homes;

• reduce power costs for households and businesses by:

- implementing the smart systems plan to help consumers to use energy more flexibly;

- working with Ofgem and National Grid to create a more independent system operator to facilitate greater competition, coordination and innovation;

- responding to the independent review into the cost of energy (see below);

- imposing a cap on standard variable and default tariffs across the whole market;

At the same time, Government launched several separate but linked consultations, including:

• Reform of Green Deal Framework;

• Streamlined carbon and energy reporting;

• The operational transition of smart meters;

• Building a market for energy efficiency – a call for evidence.

Independent review finds cost of energy too high

An independent review of the energy market, commissioned by Government, concludes: first, that the cost of energy is significantly higher than it needs to be to meet the Government's objectives and, second, that energy policy, regulation and market design are not fit for the purpose of the emerging low-carbon energy market.

The review was led by Professor Dieter Helm CBE, Professor of Economic Policy at the University of Oxford. It is part of Government's Industrial Strategy, and covered electricity generation, transmission, distribution, and supply.

Professor Helm concludes that we are moving towards a 'decarbonised, digital, smart electric energy world, offering the prospect of ever-lower costs from cleaner energy'. However, he stresses that to achieve decarbonisation, 'it is important not to try to pick winners, and to focus on the framework within which the private sector brings new ideas, new technologies and new products to the end-user'.

Professor Helm cautions that existing energy policy remains 'complex and expensive.' He recommends a significant reform of the regulation of transmission and distribution focused on the role of system operators, and the replacement of the specific licences with a general licence. He proposes: the introduction of a 'default' supply tariff with the supply margin published, and the harmonisation of carbon prices and energy taxes.

For more information see here.

NEW CALLS FOR CONSUMER REGULATOR

A report has been published by former members of the Energy and Climate Change Select Committee and Imperial College Business School, and supported by the Energy Systems Catapult.

The report reveals that electricity utility companies will need to transform to avoid being superseded by new service providers and data companies who will be better placed to serve consumers, and more effective at optimising our future electricity system.

It proposes a new set of regulatory principles focused around consumers, data, markets, and system security. The four proposed regulatory principles are:

• Create a One-Stop-Shop Consumer Regulator: Regulate how consumers consume.

• Optimise All Energy Assets: Regulate for system optimisation to deliver the most productive, efficient, and affordable system changing the shape of the regulated market.

• Open Up Markets to More Players: Regulate to promote transparent, cost-reflective, and open markets to allow new technologies and demand responses to compete with generation assets.

• Understand where Risk Really Lies: Regulate for where security of the system is truly at risk shifting from security of supply to cyber and data security.

Government to review Green Deal Framework

Government has issued a call for evidence designed to begin the process of a fundamental review of the Green Deal Framework. BEIS, the department responsible, considers that the 'Pay As You Save' (PAYS) model still has the potential to increase the numbers of energy efficiency improvements installed in owner occupied homes. In order to maximise this, it is seeking evidence on this potential, as well as other factors, including:

• the scope for simplification
• changes in the wider industry and policy context
• technological developments

Find more information on the 20 questions in the Call for Evidence, visit here.

National Grid app to predict cheapest times for using domestic appliances

Consumers will soon be able to find out the best times to do their washing thanks to a new service offered by National Grid. Using software developed by the charity WWF, National Grid will predict up to two days in advance the cheapest times to use domestic appliances.

The software combines data from the grid with weather information from the Met Office to forecast when energy will be at its peak demand throughout the day in two-hour segments. This has all been verified by Oxford University.

If consumers can use cheaper energy when demand is low they could save on their energy bills and there would be the added benefit of a cut in carbon emissions. This would also relieve pressure on the energy system and reduce the use of fossil fuel plants, such as gas, to meet peak demand.

National Grid hopes that energy companies will use the information provided to create their own apps to help consumers choose the best times to turn on their washing machines, load their dishwashers or charge their electric cars. For more information see here.

UK'S GREENEST SUMMER EVER

In the three months from June 21 to September 22 more than half the UK's electricity came from low carbon sources, renewables and nuclear, making it the greenest summer on record.

Nearly a quarter of power generation came from renewables compared with 19.5% last year and only 9% four years ago.

The figures also show that average carbon dioxide emissions for each unit of power have fallen by more than half in the last four years as the use of coal continues to decline. Whereas there were 491 grams of carbon dioxide pollution emitted for each kWh of electricity in the summer of 2013 the average figure this year was just 216 grams.

RECC joins industry alliance to campaign for smart, flexible energy systems

On 23 October 2017, the Smart Power Industries Alliance (SPIA) was launched.

The SPIA is a cross-sector alliance of UK energy trade associations, with a common interest in a smart flexible energy system, inlcuding RECC.

Smart power puts consumers right at the heart of the energy system, enabling them to make the choices they want to make in energy, including in smart appliances, thermostats and smart metering. A smart system should enable consumers to connect generation, storage and EVs easily to the grid, and to participate in a wider connected market place where they can buy services that best fit their needs while potentially offering services, including demand reduction, to the grid.

Timely policy and regulation, and strong project management of system change, will be essential to the delivery of a smart energy system, and to minimise risks including unnecessary cost to consumers.

With that in mind, SPIA calls on the Government to:

1. Put consumers at the heart of energy policy; enable businesses & households to play an active role in the nation's energy system where they choose to, and ensure that all consumers benefit from the smart transition.

2. Facilitate the creation of new markets for smart services; new markets for smart services must ensure that all participants, including newer innovative, flexible technologies, can compete on fair and equal terms.

3. Take a whole-system approach to smart energy; create incentives for the heat, transport, and power sectors to work together to deliver decarbonisation at best value to consumers.

4. Accelerate the smart power transition; provide consistent policy & regulatory direction, in line with the Government's carbon objectives, to promote investor confidence.

5. Make smart power central to the Industrial Strategy; incentivise key sectors to invest in smart technologies, and maximise the benefits for our economy and for UK Plc in global markets.

CHARGING STRATEGY NEEDED TO SUPPORT SHIFT TO ELECTRIC VEHICLES

Renewable Energy Association (REA) is calling for a Government strategy on the roll-out of charging facilities to support the shift to electric vehicles. REA believes that shift is happening more swiftly than expected and that electric and plug-in hybrid electric vehicles could make up 75 per cent of new vehicle sales by 2030, long before the Government's proposed ban on diesel and petrol vehicles in 2040.

In a new report, Forward View, REA urges Government, working with local authorities, to launch an EV roll-out strategy that looks at everything from building regulations to manufacturing, power generation and charging infrastructure to minimise barriers and make electric vehicles an obvious, clean choice for consumers.

REA is calling for a comprehensive network of charging facilities in supermarkets, shopping centres, workplaces, public car parks and motorway service stations, as well as in homes. Smart tariffs would allow consumers to choose the cheapest times to charge their vehicles and reduce pressure on grid capacity. In addition, REA is calling for all new houses to have three-phase electricity supply and for all new residential developments to have integrated charging.

Cenex, the first Centre of Excellence for low carbon and fuel cell technologies in the UK, has announced plans to upgrade the National Chargepoint Registry (NCR) to be funded by the Government's Office for Low Emission Vehicles. Working with green energy software system specialists, Apetrel Systems, Cenex will ensure that the register of chargepoints, set up in 2011 to provide data on location, compatibility and hours of operation, is accurate and kept up-to-date. This will allow EV drivers to plan their routes and encourage the development of mapping and journey applications.

Find more information here.

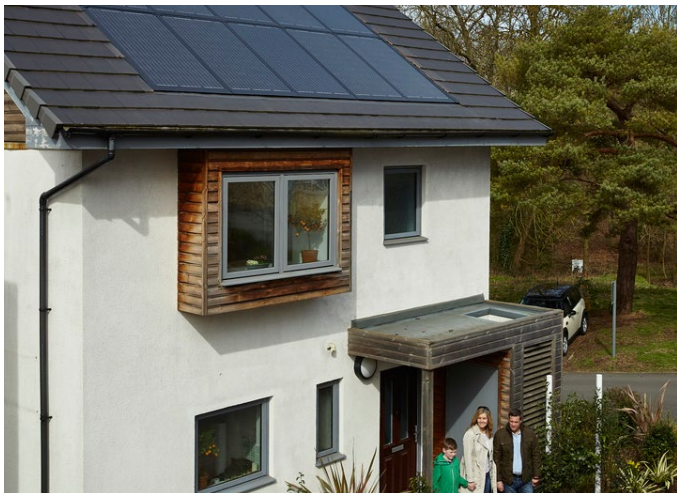
Solar PV and storage economically viable RECC member says

Solarcentury, the UK's largest solar company, has claimed that a recent study 'grossly underestimated' the potential savings from home battery storage systems teamed with solar PV. The study, carried out by researchers at Birmingham and Warwick Universities, questioned whether solar PV/storage systems represented good value for consumers, claiming that their performance was variable and that they degraded quickly. Solarcentury pointed out that the study looked at only one home which had one small lithium ion battery. Its own research, with Loughborough University, showed that household batteries could save consumers more than £230 a year in the right circumstances.

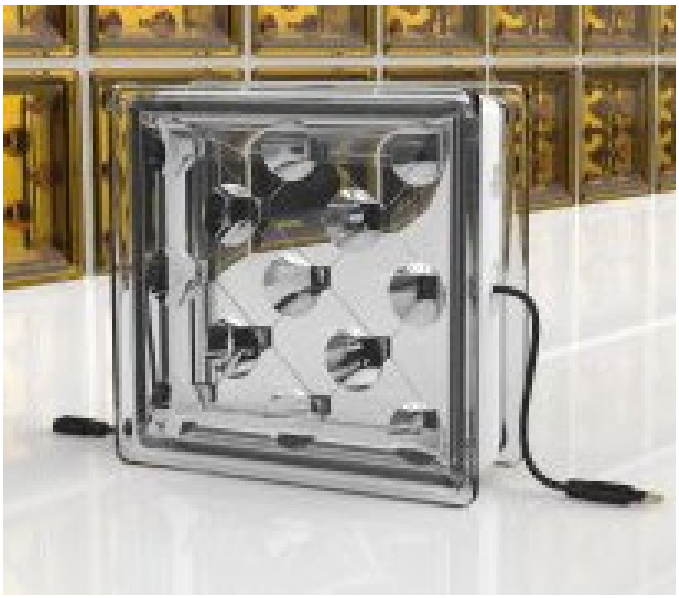
The Solar Trade Association added that batteries from electric vehicles (EVs) were now a viable alternative: they are typically replaced when they have degraded to 80 per cent of their original capacity which is more than enough for domestic use and could last between 15 and 20 years, it said. Nissan is working with Eaton to bring these to market.

The Renewable Energy Association pointed out that the costs of low carbon energy storage systems were predicted to fall by one third over the next three years and smart metering, new energy tariffs and service aggregators would also bring benefits to domestic consumers in the coming years.

Find out more information here.



Glass bricks can now generate electricity



Researchers from the University of Exeter have developed a solar power technology that fits into glass blocks that could revolutionise the building industry.

The product, called Solar Squared, consists of a number of optical elements that focus sunlight on small solar cells. When the glass bricks are used on the outside of a building they will be able to generate electricity, allow more daylight into the building and improve thermal insulation.

The researchers believe that many construction materials used on the outside of buildings could be adapted to generate energy. This would have a significant impact on global energy requirements: buildings currently consume more than 40% of the world's electricity.

They consider that it should now be possible "to build integrated, affordable, efficient and attractive solar technologies as part of the building's architecture…whilst having minimal impact on the landscape and quality of life".

Insurer to cover storage systems

Peacock Insurance Services Ltd has been added to RECC's list of insurers. Its underwriter is Evolution Insurance Company Ltd.

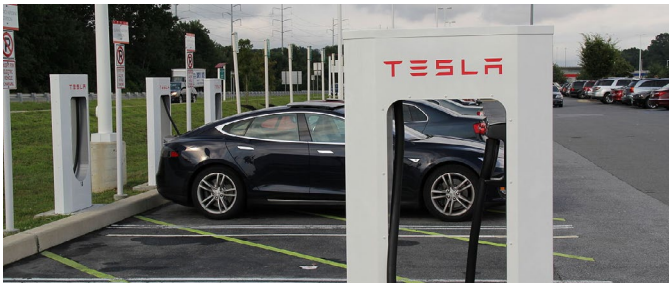
Peacock offers both deposit and workmanship warranty insurance for standard contracts up to £100,000.00 and for all technologies, inlcuding batteries!!

Members can now insure batteries, where they have has not been able to do so previously. The full details on Peacock and other insurers can be found here.

RECC aims to increase its list of insurers covering batteries further.

NORWAY LEADING THE CHARGE

Norway is way ahead when it comes to the introduction of Tesla superchargers. A recent survey shows that it has 6.3 per million inhabitants, compared with its nearest rivals Sweden with 2.4 and Denmark with 1.7. The United States has 1.2 while the UK is 7th in the list with only 0.6.



RECC success at Solar and Storage Live 2017

RECC had a successful visit to Solar and Storage Live this year, having met and spoken with many of our members, and having spoken on the 'IET/RECC STANDARDS, What do you need to know' and 'SHADY PRACTICES: Inverter upgrade misselling' sessions.

At the show, the Solar Trade Association launched its commitments for domestic energy storage. These are commitments STA members pledge to honour including to protect customers 'by complying with and being members of relevant consumer protection bodies e.g. The Renewable Energy Consumer Code.'

Which? has also published information for consumers on batteries, where consumers can find out more about home energy storage, including what's on offer, and the pros and cons. A table of batteries compares the specifications and prices of batteries available.

50% off Which? Trusted Trader for RECC members

Which? has launched a new offer for RECC members who wish to take advantage of the Which? Trusted Trader scheme. As of 16 October 2017 this offer has replaced the previous package. The new offer includes:

- an initial assessment fee of £75 excl VAT
- 50% discount for 6 months on the monthly recurring membership fee.

Which? Trusted traders

20% off IET Codes of Practice for RECC members

RECC members can now get 20% off the IET's Codes of Practice for Solar PV and for Energy Storage.

The Energy Storage Code of Practice equips installers with a reference tool for the safe, effective and competent application of electrical energy storage systems, with a focus on ensuring that industry is ready to effectively design and install systems.

The Solar PV Code of Practice provides guidance for all scales and stages of Solar PV installations.

To use, enter the code RECC17 (for both titles) at the checkout stage of the online store.

IET The Institution of Engineering and Technology

MCS 001 split into 2 parts, for contractors and Certification Bodies

Splitting MCS 001 into two standards (MCS 001-1 and MCS 001-2) will make the MCS Contractor requirements clearer which would improve the MCS Contractor journey and support Certification Body assessment. MCS 001-1 describes the requirements that MCS Contractors must meet and MCS 001-2 describes the process that Certification Bodies must follow to ensure the compliance of MCS Contractors with the scheme requirements.

MCS 001 will not change during the splitting of the standard into two parts. MCS 001-1 and MCS 001-2 will be published on Friday 10th November 2017.

DELAY FOR RHI AMENDMENTS

The RHI amending regulations are now in 'pre-legislative scrutiny.' Government aims to submit them to the Joint Committee on Statutory Instruments by early December. Subject to JCSI clearance BEIS (the department responsible) hopes to lay the regulations early in 2018, followed by 6-8 weeks for Parliamentary scrutiny in what is known as the 'positive resolution' process. The earliest the amending regulations are likely to be implemented is March 2018.

BEIS has confirmed that the regulations will include the right for householders to assign their payments rights under the Domestic RHI. RECC is participating with BEIS to ensure that the regulations are sufficiently robust to ensure that consumers' rights are protected in this area.

Energy Performance Validation Scheme

RECC would like to remind its members that EPVS is not a Government or MCS requirement for RHI eligibility.

RECC does not require its members to register with an approved validation organisation such as EPVS, and does not require its 'approved' insurers to require such registration. Furthermore, RECC has no plans to introduce such a requirement in the future and fully understands the financial pressures this would put on our members.

RECC has compiled a list of insurance providers whose insurance backed guarantees meet the requirements of the Code and do not require installers to sign up to a validation organisation. Find this here.

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6 Spring House | London SE11 5EE
Tel 020 7981 0850
Email info@recc.org.uk | Web www.recc.org.uk