

## PROTECTING CONSUMERS AND PROMOTING RENEWABLES

# Welcome to the January edition of the RECC Newsletter

Welcome to the first newsletter of 2019 to all our members! Thank you for renewing your RECC membership promptly. We are committed to working with you to promote renewables and protect consumers throughout the year.

For those of you who install solar PV systems please see details on this page of Government's proposed Smart Export Guarantee. RECC welcomes these proposals and we will be responding to the consultation which closes on 5 March.

Elsewhere in the newsletter you will find a statement from the new Chief Executive of the MCS Service Company. There are also updates on EV charging equipment, 'co-location' of battery storage and solar PV systems, and the results of some interesting work at Loughborough University on self-consumption of renewable electricity under a number of different scenarios.

Finally, you will find details of upcoming renewable energy events. We hope you will join us as at our stand at Futurebuild between 5-7 March!

Boris Eremin, Editor

## GOVERNMENT TO LAUNCH SMART EXPORT GUARANTEE

Government is consulting on a mandatory, supplier-led export tariff to follow the Feed-in Tariff (FiT), due to close on 31 March 2019.

RECC worked with others including Renewable Energy Association, Solar Trade Association and 10:10 to draw Government's attention to the need to reward consumers for their exported electricity. Thank you to all our members who responded to our survey, and who lobbied their own MPs. We know that the results of the RECC Members' Survey were particularly influential.



BEIS headquarters at 1 Victoria Street  
Photo © Хомелка (CC-BY-SA 4.0)

The proposed Smart Export Guarantee (SEG) would see suppliers remunerate small-scale generators for the renewable electricity exported to the grid. While many of the details remain undecided, these are some of the key points up for discussion:

- consumers with renewable electricity systems up to 5MW, currently eligible for the FIT scheme, will be able to apply for the Smart Export Guarantee;
- larger electricity suppliers (>250,000 domestic electricity supply customers) will be required, and smaller suppliers will be able to opt, to offer these consumers a price per kWh for the renewable electricity they export to the grid;
- electricity suppliers will determine the tariff per kWh, which must be greater than zero, and the length of contract;
- exported electricity will have to be metered to be eligible for the tariff, for example using a smart meter;
- there will be no levelisation process, with associated costs, but electricity suppliers will be able to cover their administration costs in setting their tariff;
- suppliers will have to register eligible consumers for the settlement process and settle in line with the requirements in the Balancing and Settlement Code (BSC);
- the equipment and the installers will have to be MCS-certified, and installers will need to be members of an approved Consumer Code; and
- the scheme will be administered by Ofgem and the electricity suppliers.

You can find the full consultation document: [here](#).

We urge all RECC members to respond welcoming the Government's proposals.

Responses must be submitted by close of play on 5 March.

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## MCS SOLAR PV AND BATTERY STORAGE SELF-CONSUMPTION GUIDANCE NOTE

MCS have been working on a solar PV and Battery Storage Self-Consumption Guidance note, to be used by installers or contractors, detailing a methodology to determine and communicate electrical self-consumption of domestic Solar PV installations with or without electrical energy storage (i.e. batteries).

The Guidance note will act as an aid for consumers to be able to determine how a solar PV system and or a battery may perform for them.

This is due out mid-2019 and will be found on the MCS website. RECC will be linking to the Guidance note and will be updating its own guidance, published in collaboration with BRE. Watch this space!

## FiT to close to new projects at end of March

The Feed-in-Tariff (FiT) will be closed to new projects from 31 March 2019. Householders will be able to apply to FiT Licensees after the deadline so long as they have a valid MCS Certificate with a date and time that is earlier than midnight on 31 March 2019.

RECC has been working with BEIS, Ofgem and MCS to ensure that there is not a repeat of fraudulent FiT claims that followed similar deadlines in 2012 and 2016.

Some small pre-accredited projects (under 50kWp) will be allowed to continue on their path to full accreditation up to 31 March 2020. There will be a grace period, following a request from REA, for larger AD, hydro, Solar PV and wind projects that are suffering from radar and grid delays.

Unused funds will not be reallocated and no payments will be made to projects queuing beyond the first tariff period in 2019. Further consultation will follow on replacing broken equipment and maintaining accreditation.

You can find more information: [here](#).

## Ofgem amends guidance on installing storage with renewables

Ofgem has amended its guidance for homeowners thinking of installing ('co-locating') storage systems to work alongside their renewable electricity generating systems that currently benefit from the Renewables Obligation (RO) and Feed-In Tariff (FiT) schemes.

Homeowners must follow the guidance to if they are to continue to benefit from the incentives. Ofgem considers each case separately and has set out four overarching principles:

1. 'Co-located' storage does not change a home owner's obligations to comply with the RO and FiT schemes.
2. Home owners can only receive support for electricity that can be shown to have been generated by the renewable electricity generating system.
3. Installing storage will not alter the Total Installed Capacity of the renewable energy system.
4. The type of storage technology installed will not change the RO and FiT eligibility requirements.

You can find the guidance: [here](#).

## EV chargers: a consumer guide

RECC will shortly launch its detailed guidance for consumers thinking about installing a chargepoint for an electric vehicle at home. The guidance will explain all the different types of chargepoint, covers funding, including OLEV grants and compatibility with solar PV and battery storage. Finally, it assesses their advantages and disadvantages. The guidance also sets out the questions consumers should ask before deciding to install a chargepoint at their home.

In the meantime, Government has also issued some guidance on this which can be found: [here](#).



An EV chargepoint  
Image courtesy of [EV Box](#)

In line with its £1.5 billion "Road to Zero Strategy", published in 2018, Government has announced that all home chargepoints for electric vehicles must use 'smart' technology from July 2109. Chargepoints will need to be accessible remotely and able to receive, interpret, and react to a signal.

Smart charging should help to reduce high peaks of demand for electricity and bring down the cost of electric vehicles to the electricity system. By encouraging off-peak charging consumers should also benefit from lower costs.

Government will maintain grants to install chargepoints at home at the current level of up to £500. These grants help car owners with charging and ensure that plug-in hybrids and battery electric vehicles can be used to their full potential.

Over 100,000 chargepoints have already been installed with Government support and the aim is to make the UK the best place in the world to build and own an electric vehicle. More than 60,000 grants have been made as part of the Electric Vehicle Homecharge Scheme since 2014.

You can find full details of the "Road to Zero Strategy": [here](#).

## THE FUTURE OF MCS IS BRIGHT SAYS NEW CEO

Ian Rippin, recently-appointed CEO of MCS, explains how the certification scheme is preparing for the future, ahead of the closure of the Feed-in Tariff (FiT) scheme on 31 March 2019. He says:



Ian Rippin, MCS CEO  
Image courtesy of [MCS](#)

*"In the short-term, we are working closely with industry to ensure the quality of installation practice is maintained and improved, whilst engaging and educating consumers.*

*In a post-subsidy market, MCS will be working hard to support the small-scale renewables market in the UK to develop ways to realise projects without financial support from Government.*

*The sector is well-placed to continue nurturing and delivering low-carbon technologies and maintaining MCS standards is crucial to retaining safeguards for consumers".*

For more information on MCS, please visit: <https://www.microgenerationcertification.org/>

## Guilty solar PV directors go on the run

Two directors of Warrington-based Key Energy Solutions Ltd have gone missing after being sentenced at the end of a six week trial at Liverpool Crown Court in December. They were found guilty of organising a solar panel scam in which they conned 14 victims into buying solar panels believing that they would be eligible for government Feed-in Tariff payments whereas this was not the case as the company was not certified by Microgeneration Certification Scheme.

Peter Haddley (who was also the sole director of Manchester-based Future-Energy-UK Ltd) had been charged with 19 offences of fraud, falsifying documents and theft and James Birchall had been charged with 12 offences of fraud, falsifying documents and money laundering. Two of the fraud charges

involved the misuse of the RECC logo. Both directors were found guilty of all the charges against them and have been sentenced to four years in prison and disqualified as being a director for 10 years.

Unfortunately, James Birchall did not attend the court hearing at all and Peter Haddley disappeared midway through giving his evidence. Warrants have been issued for their arrests but they have not yet been caught. By absenting themselves in this way they will, when caught, face further charges under the Bail Act and possibly longer sentences.

Further information can be found: [here](#).

## The British Renewable Energy Awards is now open for entries!

The British Renewable Energy Awards for 2019 will be presented at a gala dinner at The Intercontinental, Park Lane on Thursday 11th June; recognising and celebrating the achievements of companies and individuals who have done something amazing in renewables and clean technology over the past year.

RECC itself sponsors the Installer award, for a company which has excelled in the installation of small-scale energy generation systems in homes; offering a high quality experience for consumers wishing to buy or lease equipment.

Come and celebrate with us and support the industry!

Further information on how to book and nominate someone can be found: [here](#).



Rebecca Robbins, Head of Compliance at RECC, presented the award to Owen Morgan and Shane Kelly from Cambridge Solar UK at the Awards Dinner held at the Savoy Hotel on 14 June 2018

To find out more about the benefits of becoming a Trust Mark registered business with RECC please see [here](#).



To find out more about the benefits of becoming a Which? Trusted Trader with RECC please see [here](#).



## More protection for vulnerable consumers

Since publishing the first ever consumer vulnerability strategy in 2013 Ofgem has continued to work hard on how best to protect vulnerable consumers. It has, for example, introduced an overarching enforceable vulnerability principle into the Domestic Standards of Conduct and has recently designed and implemented a default price cap which will protect 11 million consumers on default tariffs. Its latest annual report shows that disconnections are down from thousands ten years ago to 17 in 2017.

As renewable technologies, smart meters and other data driven technologies and electric vehicles play an increasingly important role in the energy market, the key questions for Ofgem are to establish what issues will face consumers in vulnerable situations; what role Ofgem can play in addressing them; and how best to measure success.

Five themes have emerged from the initial consultation period:

1. Improving the identification of vulnerability and smart use of data.
2. Driving a step change in customer service.
3. Supporting those struggling with their bills.
4. Encouraging positive innovation.
5. Ofgem working across boundaries (e.g. with Government departments and other regulators).

Ofgem has now begun a major update of its strategy, which will be designed to last until 2025. It is consulting with a wide range of stakeholders and consumer experts, and has also held a number of events in Cardiff, Glasgow and London. The final strategy will be published this Spring.

You can find more information: [here](#).

## ELECTRICITY REGULATION SHOULD DELIVER BEST VALUE FOR CONSUMERS

ReDesigning Regulation, a research report published in December 2018, calls for the focus of electricity regulation to be on how the market works, what needs to be regulated and what tools the regulator should use to deliver best value for consumers. Led by Laura Sandys of Challenging Ideas, the research team included academics from Imperial College, London.

The report says that demand needs to be the key driver of value. This will help achieve better prices for consumers and more supply chain pressure to deliver better value. It concludes that we will need to change what we regulate, how we regulate, provide consumers with greater protection, change the supplier licence to a "retailer" model and support the vulnerable in a holistic manner.

The market will need re-engineering to reflect the new values of time, location and service to the system rather than today's top down approach. The report will need to regulate risk not process as the current approach will not succeed in a multi-dimensional environment. It is important for the regulator to sit outside the sector in order to see where the risk really lies for consumers, the market and the system and knows who is best able to manage the risk.

Finally, the report calls for Ofgem, Ofwat and Ofcom to be amalgamated into one Essential Service Regulator so as to manage the risks of bundled and blurred products and services in an increasingly complex system.

You can find the report: [here](#).

## FUTUREBUILD

Futurebuild 2019 is the industry's event bringing together opinion-sahapers, decision-makers, and product innovators to explore the latest thinking and debate the biggest issues facing the built environment - now and in the future.

Find RECC there on stand C203.

The ecobuild conference that will also be running alongside the event will further inform architects and designers, consultants, and constructors, and public and private sector clients on how to tackle the industry's most pressing challenges. Share industry insights and learning from industry experts.

Sign up for your free ticket: [here](#).



RECC stand at Solar & Storage Live 2018