# Newsletter Autumn 2019 Issue no. 28



#### PROTECTING CONSUMERS AND PROMOTING RENEWABLES

# Welcome to the Autumn edition of the RECC Newsletter

Valued Members, welcome to the Autumn newsletter of 2019!

We begin by showcasing the achievements of RECC member FES Support Services - winner of the Residential Solar & Storage Award.

There is an update on Ofgem's and HMRC's recent activities, news on REAL's upcoming launch of a Consumer Code for electric vehicle home charge points, and a summary of a recent Imperial College London study on the emissions from electric vehicles. Elsewhere, you will also find some news on the work being done to decarbonise our heat network, and a summary of a briefing paper on energy issues launched by the BBC.

Finally, you will find a recap of recent cases of misconduct in the renewables sector which have featured in the press.

We hope that you will join us at the Battery Energy Storage Day in November!

Boris Eremin, Editor

#### **RECC member wins Solar & Storage award**



Banner from Solar & Storage Live Awards 2019 Source: <u>Solar & Storage Live</u>

FES Support Services, a RECC member based in Stirling, has won the prestigious Residential Solar and Storage Award. The award was announced at the Solar and Storage Awards ceremony held in Birmingham in September.

Over the last two years the company has been working with Stirling Council to install 945 residential solar PV systems as well as 26 Tesla battery storage systems. Some 8,500 panels were installed with an average capacity of 3.08kWp and an average annual generation of 2,140kWh.

The company also plans to install a further 120 battery storage units in properties

which are not on the grid which, where they are located alongside solar PV systems, could achieve self-consumption rates of up to 85%.

The success of this project means that Stirling Council should have no difficulty in meeting, and possibly surpassing, the new Energy Efficiency Standards for Social Housing which were announced by the Scottish Government in May this year. In total FES has installed over 3,000 solar PV systems and co-located 200 battery storage systems for Stirling Council.

More information on the award can be found: <u>here</u>.



Still from FES Support Services project showcase video Source: FES

#### **REAL ATTAINS ISO 9001:2015 CERTIFICATION**

In August this year Renewable Energy Assurance Ltd (REAL), the company that administers RECC, was officially certified as meeting the requirements of the ISO 9001:2015 Quality Management Standard. Certification is evidence that REAL has systems in place to allow us continually to monitor and manage quality across all our activities and to identify areas for improvement.

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# Fresh new look for REA



THE ASSOCIATION FOR RENEWABLE ENERGY & CLEAN TECHNOLOGY

The Association for Renewable Energy & Clean Technology (REA), the not-for-profit trade association representing British renewable energy producers and promoting the use of renewable energy and clean technologies in the UK, has redesigned its website. REA is the parent company of REAL, Code Administrators.

This new-look website should serve REA well going forward as the renewables, clean-tech, and recycling landscape continues to evolve in the UK.

Be sure to have a look for yourself: here.

## **Ofgem introduces Replacement Product Declaration Form**



Ofgem is introducing a new form which needs to be completed when products which are eligible for payments under the Domestic Renewable Heat Incentive (RHI) Scheme are replaced.

The products covered by this new requirement are biomass boiler and stove units, indoor or outdoor heat pump units/ compressors and solar collectors (both flat plate and evacuated tubes).

The form has to be completed by a an MCS certified installer and the person receiving the payments has to

provide assurances that their system is still eligible under the Domestic RHI Scheme and that they are receiving the amount of payments to which they are entitled.

Heating systems can remain accredited and eligible for payments for seven years but until now installers have not generally issued a new MCS certificate when parts of a scheme have been replaced because these relate to the entire heating system.

Ofgem hopes that the new form will address this anomaly and help householders to claim the payments which they are due.

More information on the open letter can be found: <u>here</u>.

#### VAT RISES FOR DOMESTIC RENEWABLE ENERGY GENERATORS



HMRC headquarters in London. Photo © Carlos Delgado (CC BY-SA 3.0)

The VAT rate charged on domestic renewable energy generators increased on 1 October 2019 from 5% to 20%. This increase enables HM Treasury to comply with a European Court of Justice ruling made a number of years ago.

The reduced rate can still be charged where certain social conditions are met or where a new 60% threshold is not exceeded.

The main social condition is that the renewable energy generator is being installed in the home of someone who is

at least 60 years old or who receives council tax benefit and housing benefit, disablement pension and income support. Other conditions relate to relevant housing associations and buildings such as children's homes and care homes.

The 60% threshold is expected to apply mostly to combined installations of solar PV panels, batteries, and air source heat pumps. The installer will have to calculate what percentage the price paid for the goods is of the total value of the contract. If the price paid for the goods is more than 60% the installer will have to apportion the value of the total contract between materials (which will be standard-rated) and labour (which will be reduced-rated). If it is less than 60%, the whole contract can be reduced-rated.

The relevant goods are: controls for central heating and hot water systems, draught stripping, insulation, solar PV & thermal panels, ground and air source heat pumps, micro combined heat and power units, and wood-fuelled boilers.

More information on the VAT changes from HMRC can be found: <u>here</u>.

More information and REA's comments on the changes can be found: <u>here</u>.

# **REAL plans to launch the Electric Vehicle Consumer Code**



CODE FOR HOME CHARGEPOINTS

In the last newsletter (click <u>here</u> to view it) we outlined our plans for launching the Electric Vehicle Consumer Code (EVCC) for Electric Vehicle home chargepoints. The Code sets the standards expected of EV home chargepoint installers when entering into contracts with domestic consumers.

Only OLEV-approved installers will be eligible to join and will have to meet technical standards, and requirements around

contract terms, estimates, protection of deposits and access to dispute resolution for consumers.

Since July we have refined the content of the Code and have sent it out for consultation to a range of interested stakeholders. The consultation closes at the end of October.

We will analyse all the responses we receive, make any necessary changes to the content and scope of the Code and open it up for registrations. At the same time we will launch a dedicated website. Watch this space!

#### ELECTRIC VEHICLES EMIT ONE QUARTER OF THE CO<sub>2</sub> PRODUCED BY PETROL CARS



Source: Drax

A new study by Imperial College London has revealed that electric vehicles (EVs) emit on average as little as one quarter of the  $CO_2$  produced by conventional petrol and diesel cars.

If the manufacturing of batteries is taken into account this figure rises to one half. The  $CO_2$  emitted in producing batteries for the most efficient EVs would be saved after just two to three years of running.

As Britain's electricity supply is being progressively decarbonises the  $CO_2$  emitted by EVs could fall to one tenth

of that produced by petrol cars in five years' time. Some 55% of electricity demand was already being supplied by wind, solar, biomass and hydro.

The number of EVs in Britain is increasing by 30% a year and has now reached well over 200,000. One in 40 cars sold in the UK are electric with a third being pure battery models and two thirds being plug-in hybrids.

A summary of the study can be found: <u>here</u>.

More detailed information on the study can be found: here.

# **RECC issues first wave of CPD Certificates**



RECC has awarded the first CPD Certificates to individuals who have passed all 5 exams in the members' online training resource. Anyone who scores 70% or over in all 5 exams will receive a certificate confirming that they have earned 5 hours of Continuing Professional Development.

To date, RECC have issued 8 individual certificates. Congratulations to those candidates!

You can find more details on the training in the Member's Area: here.

#### THE FUTURE OF HEAT NETWORKS

A report produced by the energy analyst firm Cornwall Insight highlights the need for the UK to prepare a clearer, detailed plan to encourage a more advanced market for low carbon heat. It shows that we are lagging behind countries such as Germany, the Netherlands, and Sweden. Carbon from heat production still accounts for 37% of total emissions in the UK.

One of the report's researchers (Stuart Leaver) said that the UK faced a variety of challenges including issues surrounding connection, consumption patterns, and legal protection for both consumers and generators. He pointed to the availability of a number of innovative investment opportunities in the UK's heat network and stressed the need for the government to mitigate the risk for investors and for local government to play a major role in providing local solutions.

The government's vision for heat networks includes creating a long-term, self-sustaining, and flexible heat network market which encourages a range of new business models and innovation and attracts investment as well as lowering costs for the consumer. Creating a forward-thinking policy framework and appropriate industry regulation and consumer protection will also be important.

A copy of the report can be requested: here.

To find out more about the benefits of becoming a Trust Mark registered business with RECC please see: <u>here</u>.



#### **BBC launches briefing on energy**



BBC energy briefing illustration. Source: BBC

BBC News has launched a pilot briefing on energy as the first topic in its new online mini-series of in-depth downloadable guides to the big issues of the day.

The nearly 200-page briefing addresses issues such as what we want from our energy system, the cost of energy today and in the future, the challenges facing the industry, and the politics of energy.

Some of the questions it looks at are why half a degree matters, the road to clean energy, whether cities are as bad as we think, and the surprising truth about UK energy use.

The information has been provided by academics, researchers and journalists, and sets the issues in historical context as well as providing evidence that needs to be considered.

A copy of the briefing can be found: here.

## UK electric heat pump trial gets under way



Example of an air source heat pump Image courtesy of Joule UK

In a major low carbon heating pilot project costing £16.5 million some 750 electric heat pumps and other energy efficiency measures will be installed in homes around the UK.

The aim of this project, known as the Electrification of Heat Demonstration Project, is to test whether these technologies could be rolled out on a large scale. The Department for Business Energy and Industrial Strategy (BEIS) have awarded the management contract to Energy Systems Catapult.

BEIS is now tendering for three delivery contractors.

More information on the tender can be found: here.

# Consumers win cancellation and refund of misleading biomass lease

According to a recent press article, a couple who entered into a lease agreement for a biomass boiler were faced with the prospect of losing their home after the funder attempted to pursue them for £25,000 - the projected income from the DRHI scheme for 7 years' worth of DRHI payments.

Wood Boilers LLP sought the amount on the basis that the homeowners had breached the terms of the lease by failing to return paperwork which enabled them to claim RHI payments. The consumers denied this and counter claimed that the running costs of the boiler far-exceeded the amount

stated at the point of sale, and that the boiler itself was unreliable.

The consumers had to sell their cattery business in order to cover legal costs in order to fight the action in court.

The Judge not only rejected Wood Boilers' case, but also found that the consumer had been mis-sold the boiler on the basis of the false claim that it would reduce heating bills.

In dismissing Wood Boilers' claim, the Judge cancelled the lease and ordered the boiler be removed.

#### SOLAR PANELS FAIL TO DELIVER SAVINGS





Solar PV panels (right). Source: BBC

The Financial Services Ombudsman has received over 2,000 complaints from consumers whose solar panels have not delivered the savings they were promised. Many consumers took out loans to pay for panels believing that they would save thousands of pounds on electricity costs and make money generating power. Barclays Bank has had to put aside £38 million to deal with potential claims.

One complaint came from Brian Thompson of Rowlands Gill, Gateshead who was persuaded by PV Solar UK to take out a loan of more than £10,000 over 10 years even though he was about to retire. The company told him that by installing the panels he would make money to add to his pension. This did not prove to be the case and an independent survey concluded that Mr Thompson's panels would not produce the savings promised even after 20 years. PV Solar UK went into liquidation in 2017.

Tony Walch from Bolton was told by MyPlanet that he would save £30,000 over 20 years if he bought their solar panels. He took out a loan of £15,000 but the panels did not deliver the promised savings and ended up costing him more than £500 a year because they overheated and damaged the equipment. MyPlanet went into liquidation in 2016.

More information can be found: here.

# AceOn & BMZ Battery Energy Storage Day Telford - November 21 2019 Making consumers confident about batteries -Good Practice in Home Installation sign • Innovation • Portable Energy **Battery Power Specialists** THE INNOVATION GROUP AceOn Group and BMZ have entered a partnership to deliver Energy Storage System (ESS) devices across the UK (examples seen above). The product portfolio of the BMZ Group includes four basic types in the energy storage sector. In addition to the distribution of storage systems and inverters, AceOn will be offering a UK service and training centre meaning together with experts from BMZ. Local installers will be trained on the latest technologies. If you would like to be involved, please contact Mark Thompson by email: here. RECC, MCS, and REA teams will be supporting this event.

You can register for the event: here.





80 Strand, London, WC2R 0DT Tel 020 7981 0850 Email info@recc.org.uk | Web www.recc.org.uk