# Newsletter



#### PROTECTING CONSUMERS AND PROMOTING RENEWABLES

### Welcome to the Winter newsletter, the first in 2020!

In this edition we provide an update of the Smart Export Guarantee tariffs launched in January, and we give you details of the new MCS installer standard for battery storage systems.

We showcase our new arrangement with MCS, offering solar PV and battery storage installers RECC membership on a 'payas-you-go' basis. We also explain our new offer of good value membership of Which? Trusted Traders. We report on the launch of our sister code, the Electric Vehicle Consumer Code for Home Chargepoints, EVCC. We know that over 250 RECC members are also authorised EV installers.

I hope you enjoy the newsletter and do please let me know if there is a specific topic you would like to see covered in the next issue.

Boris Eremin, Editor

### Chief Executive Virginia Graham awarded OBE

Virginia Graham, REAL Chief Executive was awarded an OBE in the New Year's Honours List. She has worked in the fields of consumer affairs and renewable energy for over 30 years.

Virginia set up Renewable Energy Assurance Ltd (REAL) in 2006, working with Philip Wolfe, then Chief Executive of parent company Renewable Energy Association (REA). The company's first project was to set up the Renewable Energy Consumer Code (RECC). Approved by Office of Fair Trading, RECC had just 30 members in its first year.

Virginia, working with Government and industry, set up in 2008 the Biofertiliser Certification Scheme, certifying quality digestate from the anaerobic digestion process. Working with Gaynor Hartnell at REA, she set up the Green Gas Certification Scheme to match trades of biomethane injected to the grid. She added two further schemes to the REAL fold, the Compost Certification Scheme and the Compostable Materials Certification Scheme.

RECC membership rose to 5,500 at its peak in 2012. REAL itself grew from one part-time employee (Virginia) to a team of 14 full-time staff, and around 10 others working on a freelance basis.

In the same list, Philip Sellwood, Energy Saving Trust (EST) Chief Executive and REAL Non-Executive Director, was awarded a CBE. Philip joined EST in 2003 and has been at the helm ever since.

The EST's goal is to find new and better ways to drive change and reduce energy and fuel consumption and it is widely trusted for its expertise and independence.

During his tenure Philip has transformed the EST and led important work on ways to combat fuel poverty, especially in Scotland, and has taken part in EU-wide and international projects. EST has also led important work on sustainable transport.





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### **Smart Export Guarantee goes live**



The Smart Export Guarantee (SEG) came into force at the beginning of the year. The SEG requires larger suppliers to pay generators for electricity they export to the grid. To mark the scheme going live Ofgem published the final version of its guidance for generators and suppliers. (See below for links to these documents.)

Eligible generators can provide anaerobic digestion (AD), hydro, onshore wind and solar PV systems with a capacity up to 5 MW as well as micro-CHP with a capacity up to 50kW. Generators need a smart meter capable of measuring exports to the grid. The scheme excludes generators who are already registered with the Feed-in Tariff scheme.

Suppliers are free to design their own SEG and generators are free to choose to sign up to the one they like best. There is no fixed or minimum tariff but it must be greater than 0 p/ kWh exported at all times. Smaller electricity suppliers are not required to offer a SEG although some have chosen to. While suppliers are responsible for running the SEG, and dealing with any complaints from generators Ofgem, is required to monitor the scheme and publish an annual report. The Energy Ombudsman is the final point of call for resolving complaints.

To date there are 13 available SEG tariffs, 12 fixed rate tariffs and 1 variable rate tariff. The fixed rates range from 0.5 p/kWh exported (being offered by Utility Warehouse) to 5.6 p/kWh exported (Social Energy), 5.5 p/kWh exported (Octopus Energy and E.On Energy) and 5.38 p/kWh exported (Bulb Energy).

Shell Energy had originally offered the lowest rate of 0.001 p/kWh exported, but quickly increased this to 3.5 p/kWh exported following criticism. British Gas is offering 1.5 p/kWh exported and Green Network Energy 1.0 p/kWh exported.

The only variable rate is being offered by Octopus Energy (Octopus Agile) which tracks the half-hourly wholesale electricity price.

Click to see Ofgem's guidance: for generators and suppliers.

## MCS publishes battery storage standard

MCS published its battery storage installer standard on 29 January (MIS 3012). The new standard will better equip the industry to roll out compliant energy storage installations whilst ensuring consumer protection.

MCS is now inviting expressions of interest from installers who install battery storage to participate in pilot assessments against the new standard. The purpose of this pilot is to test assessment processes, identify any ambiguities, and identify improvements that need to be made to the standard so that certification can be formally launched later this spring.

This important new standard has been developed with input from Tesla, Sonnen, BSI, Moixa, the STA, REA and more. Installers will be working closely with the team at MCS, technical experts and the Certification Bodies.

The aim is for pilot assessments to take place in February with feedback from all involved informing any updates to the standard in March. Ideally, MCS is looking to assess installations both with and without solar PV and include some packaged EESS and some composite (bespoke) EESS. The installations also need to have taken place after you received your copy of MIS 3012.

As this is a pilot, there will be no cost to installers for the assessment. Nor will there be any certification. However, MCS will provide you with PR material to publicise your involvement.

So, if you have installations that you could complete in the next 4 to 6 weeks, please do express your interest in taking part by providing the details set out below to: <u>alison.hardman@mcscertified.com</u> by 14th February.

#### Expression of interest

MCS

Name: Email: Contact Tel: Business Name: Certification Body: (NAPIT/Certsure) Type of battery storage installations undertaken: (composite systems/commercial system)

### New partnership with MCS benefits installers and consumers

RECC and MCS have agreed to combine their membership arrangements to make it easier for installers of solar PV, battery storage and wind to renew their membership of both schemes. The new arrangement will be piloted with installers who only work with electricity-generating technologies. It will not initially include those who also work with heat-generating technologies.

From the start of 2020 these installers will no longer have to pay a separate membership fee to RECC, instead, this will be included in the MCS "per installation" fee which they pay when they register on the MCS Installation Database. This new arrangement is intended to ensure that consumer protection remains a central element of MCS certification.

Virginia Graham, CEO of REAL, commented: "We are delighted that this partnership will further strengthen our relationship with MCS as we work together to give consumers the confidence to invest in home-grown energy".

Ian Rippin, CEO of MCS, added: "In recognition of the changing policy and subsidy landscape we are keen to provide installers with good value for money. This offer combines the benefits of RECC and MCS membership and puts consumer protection at its core".



Rebecca Robbins, RECC Head of Compliance, seen here emphasising the importance of maintaining high standards of consumer protection at the TrustMark Scheme Operator Forum on 10 October 2019. RECC is a TrustMark Scheme Operator.

## **RECC offers members discounted access to Which? Trusted Traders**

RECC is pleased to announce the launch of a new agreement with Which? Trusted Traders. From 1 January, any RECC Member whose application to become a Which? Trusted Trader is accepted will be entitled to a 50% Membership Fee discount for the first six months, together with a full refund of the Application Fee so long as your application is accepted within 30 days of applying. This is an excellent deal which represents a significant saving for our members.

It is part of RECC's mission to help you, our members, inspire greater confidence in your customers and achieve more recognition in the market. Your customers already have peace of mind from knowing you are a RECC member and you are following the Consumer Code. By becoming a Which? Trusted Trader, your customers will have the assurance that your business has also been vetted by Which? Trusted Traders.

At RECC we only sign 'affinity' agreements such as this one with organisations that complement our drive to achieve high consumer protection standards in the sector. This includes Which? Trusted Traders whose logo gives customers confidence that they will receive a good service from a reputable business.

Which? Trusted Traders (part of consumer champion Which?) endorses traders all over the UK. Consumers are able to access the website for free to find traders they can trust.

You can find out more information about the Which? Trusted Traders offer, and how to apply: <u>here</u>.

You can find the Terms and Conditions of the offer: here.



### New Electric Vehicle Consumer Code for Home Chargepoints



CONSUMER CODE FOR HOME CHARGEPOINTS

REAL is set to launch the first Electric Vehicle Consumer Code for Home Chargepoints (EVCC) in London on the evening of 12 February. It will set high standards for businesses who install chargepoints in consumers' homes.

Some consumers have not had a good experience when installing chargepoints at home. By choosing an EVCC member REAL intends that consumers will have a positive, trouble-free experience. They will be provided with all the information they need before signing a contract, they will be sure that the chargepoint will conform to all the technical and product requirements, and they will be confident that it has been installed correctly and safely.

One thousand businesses are eligible to become an EVCC member. Around 250 are already RECC members. The names of those who choose to join will be displayed prominently on the EVCC website, letting them stand out from their competitors and show manufacturers, suppliers, and homeowners alike that they are serious about maintaining high standards.

The EVCC Code includes model documents including: a quotation, a contract, cancellation notices, and a workmanship warranty. By using these documents EVCC members will be confident that they are complying with all the complex consumer protection legislation in force and that help is on hand should anything go wrong.

You can find details of the launch reception: here.



### Zero carbon sources overtake fossil fuels for the first time in Britain



In 2019, for the first time, more power was produced in Britain from zero carbon sources than from fossil fuels. National Grid reported that, over the year, 48.5% of the country's power came from zero carbon sources, including: wind farms, solar, nuclear energy, and energy imported by subsea interconnectors. Fossil fuels, mostly gas, produced 43% and biomass the remaining 8.5%.

National Grid CEO John Pettigrew described this as "a historic moment" and underlined his organisation's commitment to helping deliver a cleaner future and a safe and secure energy system that works for all.

In May solar power produced a record 9,550 MW, amounting to more than a quarter of the country's electricity needs. On 10 December wind power, boosted by the tail end of Storm Atiyah, hit a new record of 17,342 MW, or 44% of Britain's electricity needs. Also in May, electricity was generated without coal for 437 hours, the longest period since the industrial revolution. The "greenest" day ever came on 17 August when carbon intensity was just 57gCO2/kWh.

In 1990 fossil fuels generated 75.5% of Britain's electricity and zero carbon sources, then mainly nuclear, only 24.4%. Last year's impressive performance is an encouraging step towards the ultimate aim of achieving net zero by 2050.

National Grid recently announced an investment of nearly £10bn in the gas and electricity networks over the next five years with £1bn of this sum allocated to transitioning the grid to net zero by 2025.

You can find more information: here.

### Victims of a solar panel scam to be paid more than £434,835 compensation

Four men, part of a group of six who were convicted for committing fraud in August 2019, and sentenced in October 2019, have been ordered to pay back £434,835.73 in total to their 760 victims. The group swindled their victims, often elderly and vulnerable, with deceitful sales techniques and false guarantees of reimbursement to sell and install solar PV panels. Each victim lost between £600 and £35,000 which, for many, was their hard-earned savings.

Two RECC representatives gave evidence at the trial, brought by the Serious Fraud Office, at Liverpool Crown Court in July 2019. RECC had consistently refused to admit the company, Solar Energy Savings Ltd, as a member.

Kenneth Reid and Niall Hastie were ordered to pay back £18,869.93 and £2,759.70 respectively on 21 January 2020. They must pay within three months or face a further sentence

of two years in prison. Their co-conspirators, Robert Ross and Stephen Wilson, were ordered to pay £193,206.10 and £220,000, respectively, in November 2019.

Kenneth Reid and Niall Hastie were former directors of Capital Blueprint Ltd, a company that introduced finance providers to Solar Energy Savings Ltd. Stephen Wilson and Robert Ross were both directors for Solar Energy Savings Ltd. Brothers Ludovic Black and David Diaz were deemed to be the controlling minds behind the fraud. Both had previously been disqualified from being company directors.

Black was sentenced for 7 years and 6 months; Diaz for 6 years and 6 months; Wilson and Ross for 4 years and 6 months; and Reid and Hastie for 3 years and 6 months. Black is appealing his conviction.

You can find more information: here.

### Green energy fraudster faces 4.5 years in jail

Trading Standards Officers in Warwickshire have succeeded in prosecuting a man who defrauded elderly and vulnerable people in their area of almost £36,000. The judge described Hassan Akhtar Qaumi as "a slick and ruthless fraudster" and sentenced him to four and a half years in jail.

Qaumi, the sole director of HQ Energy Ltd, pleaded guilty to 19 charges of fraud, theft, and fraudulent trading. He had drawn up a list of people aged over 60 whom he targeted as potential victims. He would turn up unexpectedly at their houses claiming that they needed new or replacement solar panels, radiators or boilers which were in most cases completely unnecessary. He would ask for upfront payments and then fail to provide the products or sometimes overcharge his victims for products they did not need. The money he stole was used to fund his extravagant lifestyle.

Victims were left in great distress or panicked when they realised they could not pay their direct debits.

### Consumers pay twice to plug £71 million hole in green tax fund payments

Around a quarter of electricity suppliers failed to meet the August deadline for paying their renewables obligation last year, according to Ofgem, leaving a shortfall of £206 million. Most did manage to pay by the final October deadline, but a few still owed an estimated £71 million. Consumers will end up plugging this gap.

Electricity suppliers are meant to put funds aside to fund the annual renewables obligation. However, some do not and are unable to pay the obligation when it comes due. The suppliers then cease to trade meaning that other suppliers have to step in to make up the shortfall. They would usually look to pass the additional cost onto consumers.

Electricity suppliers that have ceased to trade in recent months include: Toto Energy, Spark Energy, Economy Energy, and Eversmart. URE Energy had its licence revoked when it failed to pay into the fund. Citizens Advice has called on the Government to make it compulsory for suppliers to make the payments on a more regular basis so as to reduce the impact when a supplier ceases to trade.

### Upcoming Events







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