

PROTECTING CONSUMERS AND PROMOTING RENEWABLES

Welcome to the Spring newsletter

Dear RECC Members,

Welcome to the spring edition of the RECC Newsletter! We are thrilled to welcome many new and renewing Members. The first four months of the year have been busy ones for us, as I am sure they have for you. In this edition you can read about RECC's work to resolve complaints, part of our new series which shines a light on one area of our work.

Also this quarter we have been working hard to ensure a smooth transition between the Renewable Heat Incentive and its successor scheme next year. You can read more about the Government's consultation on page 2. There is more information about two further consultations, one from MCS and one from Ofgem, as well as lots of other updates I hope you will find interesting. And, if you install LG battery storage systems, on page 3 you can read the details of a product recall of its RESU 10H lithium-ion storage battery.

I wish you all a productive summer, Virginia Graham.



GOVERNMENT CLOSES GREEN HOMES GRANT SCHEME WITH FOUR DAYS' NOTICE



In late March Government announced that the able-to-pay element of the Green Homes Grants Scheme would close to new applicants on 31 March. This followed a review of the scheme which found that just £300 million out of a total of £1.5 billion had been committed to 39,000 households for installing energy efficiency improvements or renewable heating systems.

The National Audit Office has since announced that it will be investigating the failed scheme's design and objectives, the procurement of its IT platform contract, how it has been managed and what it has achieved.

The social housing element of the Scheme, administered by local authorities, will continue to the end of March 2022, and Government has pledged to invest an extra £300 million to lower income homes. Eligible measures include insulation, heat pumps and solar PV panels. Households with incomes of less than £30,000 could save over £300 a year on their energy bills and some 70,000 tonnes of CO₂ could be avoided from the atmosphere each year.

More information can be found here:

www.gov.uk/government/news/government-boosts-energy-efficiency-spending-to-13-billion-with-extra-funding-for-green-homes

www.nao.org.uk/work-in-progress/green-homes-grant

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Government consults on closure of Domestic Renewable Heat Incentive in 2022

The Domestic Renewable Heat Incentive scheme (DRHI), launched in 2014, is due to close to new generators on 31 March 2022, with final payments made in 2029. Government has launched a public consultation asking for views on how it can make the scheme run smoothly in its last years.

Government is seeking views on how best to reform the DRHI so that it meets its objectives in its last years. The proposed reforms are largely administrative and technical. Government assessments have concluded that the proposed reforms would have a net positive effect, leading to better administration of the scheme, more benefits for consumers, and increased value for money for taxpayers.

In addition, Government is proposing to introduce tamper-proof seals for heat meters (as part of the Non-Domestic RHI) and to include a new biomass fuel quality and maintenance standard in a bid to improve air quality.

In our response to the consultation we will urge Government to announce details of the successor scheme as soon as possible. In this way we hope our members will have a seamless transition between schemes, and so avoid a policy hiatus.

The deadline for comments is Friday 7 May 2021.

You can find the consultation here:

assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/965026/domestic-renewable-heat-incentive-ensuring-stable-scheme.pdf

MCS CONSULTS ON NEW BIOMASS MAINTENANCE STANDARD

MCS has published a 2-week consultation on a new Biomass Maintenance Standard (MCS 040). This new standard has been developed by a working group from across industry.

Subject to planned changes to legislation, it is intended that the new standard will apply to all participants in the Renewable Heat Incentive (RHI) scheme.

The primary aim of this new standard is to ensure air quality in terms of the emissions from biomass appliances. Industry research has previously identified a lack of operator knowledge and boiler maintenance as the primary reasons for poor biomass boiler operation and associated emissions.

The new standard incorporates criteria by which maintenance businesses who provide planned and preventative maintenance (PPM) should operate. It also

includes the requirements associated with routine interim maintenance and the maintenance of connected heating system and components. However, there are no provisions for certification against the standard nor for enforcement.

MCS is inviting comments from all stakeholders.

The deadline for comments is 1pm on Tuesday 4 May 2021.

You can find the consultation here:

mcs-certified.com/consultation-announcement-new-biomass-maintenance-standard-to-cover-planned-and-preventative-maintenance-of-biomass-appliances

Updated MCS installer standard for solar PV now mandatory

MCS has issued a reminder that the updated installer standard for solar PV (MIS 3002 V40) became mandatory on 16 March. A major update, it does away with the MCS PV guide and instead adopts the Institution of Engineering and Technology (IET) Code of Practice for solar PV systems.

The updated standard sets out MCS requirements for the assessment, approval and listing of MCS-certified installers who undertake the supply, design, installation, set to work, commissioning and handover of solar PV systems. It covers the customer journey from performance estimates, installation data and performance calculations to safety, durability and schedules for maintenance. It also lists the qualifications needed by installers to demonstrate their competency.

The updated standard should be used in conjunction with the overarching installer standard (MCS 001) and any other guidance and additional material relating to the new standard made available on the MCS website: www.mcs-certified.com.

MCS REPORT CHARTS INSTALLATION OF SMALL-SCALE RENEWABLES

In a report, “Renewing Britain – the changing landscape of home-grown energy 2008-2021”, MCS has published the results of its analysis of uptake of small-scale renewable energy generating systems.

In 2008 there were only 43 small-scale renewable installations in the UK, but by 2020 that figure had risen to over 1.2 million. This will have saved 10 million tonnes of CO₂ emissions, the equivalent of that produced by 500,000 cars every year for the last 10 years. Solar PV has been by far the most popular technology installed, though interest in heat pumps is growing.

The analysis shows that take-up has varied significantly across the country: it identifies so-called ‘forests’ and ‘deserts’, listing the top ten areas in each category. Overall, rural areas have had a higher percentage of households installing renewable systems than urban areas.

The Orkney Islands has the highest level of uptake with 21% of households having installed renewable systems, with the Western Isles not far behind with 18%. All London Boroughs had the lowest level, with only 0.5% of households in Kensington and Chelsea and 1% of households in Wandsworth and Lambeth having installed renewable systems.

The MCS makes six recommendations to speed future take-up:

1. Learn from successes, particularly those seen in rural areas.
2. Set clear, ambitious, evidence-driven targets to tackle the gaps and drive an increase in installations.
3. Devise an integrated package of support to help households and property owners to choose the right renewable system for them in the area in which they live.
4. Continue the redevelopment of MCS to ensure high standards for the sector and to assist new installers to become certified.
5. Remove VAT on domestic renewables for 10 years to provide a further incentive by reducing costs for consumers and the amount of paperwork for contractors.
6. Change Building Regulations so that by 2024 all new homes will have zero carbon heating options.

The full report can be accessed here:

<https://renewingbritain.com/>

REAL joins campaign urging Government to scrap VAT on renewable systems



Bulb logo source: [Bulb.co.uk](https://bulb.co.uk)

REAL has joined a group of 31 clean energy companies, led by Bulb Energy Ltd, in pressing Government urgently to reduce to zero the rate of VAT charged on green products to make them more affordable. This will boost consumer spending on green technologies, stimulate growth and create highly-skilled green jobs throughout the UK.

The group points out that VAT is levied at 20% in most cases on EVs and associated charging technology, heat pumps, energy storage devices, solar PV and thermal panels, secondary glazing, low-carbon boilers and white goods, as well as insulation and other energy efficiency improvements.

By way of example, the group points out that a zero VAT rate would cut the cost of a Renault Zoe EV by over £4,500, making it more affordable for drivers to switch away from petrol and diesel vehicles ahead of the 2030 ban.

LG Chem recalls its RESU 10H Residential Energy Storage System

LG Chem has recalled its RESU 10H lithium-ion storage battery because of a risk of fire. The battery is installed as part of a residential energy solar panel system which enables homeowners to capture and store energy from their solar panels.

The batteries, which weigh around 220 pounds and measure 29.30 x 35.70 x 8.10 inches, are wall mounted and the LG Chem “Face of the Future” logo is on the top left side of the front panel. The serial number of the recalled battery begins with R15563P3SSEG and can be found behind the access door.

The model numbers involved are:

- RESU7H_Type R;
- RESU7H_Type C;
- RESU10H_Type C;
- RESU10;
- EMO48063P3S5;
- EMO48126P357; and
- EMO48126P3S8.

Homeowners with these recalled batteries should apply immediately to LG Energy Solution Michigan Inc. 1LG Way, MI 49423, USA. Tel no: +1 616-494-7100 for a free replacement.

You can find more information here:

www.lgessbattery.com/us/home-battery/news-view.lg?blcSn=1233

REPORT HIGHLIGHTS CONSUMERS' PROBLEMS WITH INSTALLING ENERGY EFFICIENCY MEASURES

**citizens
advice**

Citizens Advice has published a report on the queries received over a period of three years from 2018 to 2020 from consumers needing help with installing low carbon technologies or making energy efficiency improvements in their homes.

Its report "Home Truths – the challenge and experience of making home energy improvements" shows that people are confused and face a variety of problems as they try to reduce their energy consumption. If nothing is done to rectify this, Citizens Advice suggests that the UK Government's commitment to reach Net Zero CO₂ emissions by 2050 will be severely jeopardized.

Most queries received related to the pre-contract stage of installing insulation, with consumers worried about being contacted by rogue traders. Other queries related to the operation of renewable energy systems.

Citizens Advice is asking for more protection for people installing insulation or other energy saving measures which may be considerably more expensive than their usual purchases. They are calling on Government to introduce a Net Zero Homes Guarantee Scheme which would focus on making consumers more confident about installing energy saving measures by giving them more information, support and protection.

A framework for such information, support and protection is set out in a further report called Navigating Net Zero, based on a qualitative research study carried out on their behalf by Accent. This included four workshops in England and Wales with 39 people taking part in the discussions.

The framework consists of three main measures: firstly, de-risking the process through clear leadership, trusted sources of information, a competitive but well-regulated market and support after purchase; secondly, informed choice with a central information hub providing user-generated content and seeing solutions up close and in person; and thirdly, support centred on the consumer with flexible advice and support, personalised recommendations and local and community advice.

Some four in ten of those attending the workshops thought they would need to change their home heating system to meet the Government's Net Zero target when the across-the-board figure is more like nine in ten.

You can find the reports here:

www.citizensadvice.org.uk/Global/CitizensAdvice/Energy/FINAL_%20Home%20Truths.pdf

www.citizensadvice.org.uk/about-us/our-work/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-policy-research/navigating-net-zero-a-framework-to-give-people-the-confidence-to-invest-in-home-energy-technologies

GREEN GRID RECORD ON EASTER MONDAY

At 1pm on Easter Monday 5 April carbon intensity of the grid in Great Britain dropped to its lowest ever with zero carbon sources making up almost 80% of the country's electricity mix.

Officials at the National Grid said that sunny blustery weather combined with the usual drop in demand on a Bank Holiday to achieve this record. Wind power contributed 39% to the electricity mix with solar providing 21% and nuclear 16%.

This record reflects the progress being made around the world. Over 260GW of renewable energy capacity was added in 2020, almost 50% more than in 2019.

2020 was a particularly good year for renewables in Britain. Solar power hit its highest ever level of generation at 9.7GW and Christmas was, for the first-time, coal-free. Wind

generation also beat several records and on 13 February this year it rose even further to 17.5GW.

Frinton Slye, director at National Grid Electricity System Operator, said:

"It's an exciting time. And the progress we're seeing with these records underlines the significant strides we're taking towards our ambition of being able to operate the system carbon free by 2025."

Perhaps the most dramatic change is in the use of coal. In 2020 only 1.6% of the electricity mix came from coal, down 25% from five years ago. For almost 68 days from 10 April to 16 June none was used at all!

In the UK renewable capacity increased from 46,800 MW to 47,676 MW in 2020.

As a RECC member, you have satisfied our strict criteria for membership. You now have the opportunity to become TrustMark-registered through RECC.

You can find full details of our streamlined process here:
www.recc.org.uk/trustmark



RECC Membership Benefits

A full list of RECC Member Benefits and Affinity Arrangements available to you can be found here:

<https://www.recc.org.uk/join/affinity-arrangements>

Ofgem consults on half-hourly billing governance

Ofgem on 23 April announced it was seeking views on governance arrangements for its introduction of market-wide half hourly settlement (MHHS).

Ofgem is focussing on a range of processes required to implement MHHS, in particular the obligations it intends to place on a range of parties to ensure that all parts of the industry move forward together, and how these will be managed. Moving to half-hourly settlement is an important step on the pathway to enabling demand-side response offers for domestic consumers.

Views must be submitted by 5pm, Friday 25 June 2021.

You can find the consultation here:

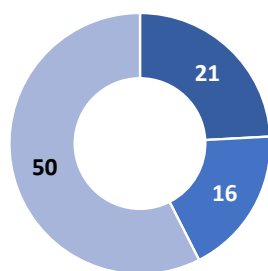
www.ofgem.gov.uk/system/files/docs/2021/04/mhhs_implementation_and_governance_arrangements_consultation.pdf

RECC's work on resolving disputes

As part of our series of updates on the work RECC carries out to support its members and their customers we focus in this issue on resolving disputes.

If a consumer wishes to register a complaint with RECC the member involved is first given a chance to resolve it. If that proves impossible, RECC will register the complaint and seek to resolve the issue, either formally or informally, through mediation with both parties. If that also fails, the consumer is given access to the independent low-cost mediators at the Centre for Effective Dispute Resolution (CEDR) who work on RECC's behalf. This allows a legally binding resolution of the complaint to be reached without having to go to court.

Categories of disputes registered with RECC in Q1 2021

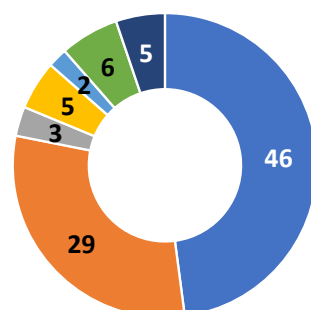


■ For RECC ■ Referred Onwards ■ Feedback

Of the 87 complaints received by RECC in the first quarter of 2021 only 21 were contractual complaints within RECC's remit. 16 were installation or product issues and were referred onwards to the relevant MCS Certification Body or another third party; and 50 were essentially information or whistleblowing reports which we categorise as feedback or potential.

By far the highest proportion of complaints (65) related to guarantees, workmanship warranties, warranty protection, after-sales support and customer service. Some 28 involved estimates or quotes, including performance estimates and financial incentives; 19 involved marketing and selling and 17 contracts and cancellation rights. Almost half were about solar PV and a third about air source heat pumps (see the graph below for more details, please note that a single complaint may involve the installation of multiple technologies).

Breakdown of complaints registered in Q1 by technology



■ Solar PV ■ ASHP ■ GSHP
■ Biomass ■ Solar Thermal ■ Battery Storage

During the quarter consumers recovered a total of £6,971, with informal mediation proving to be the most successful method of resolution recovering £5,632.

Eight disputes were resolved in this quarter compared with five during the previous three months and nine were closed without being resolved compared with 10 the previous quarter. Four arbitration awards were published this quarter, two less than during the previous quarter. All claims succeeded and consumers were awarded a total of £2,771.