Newsletter

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PROTECTING CONSUMERS AND PROMOTING RENEWABLES

Welcome to the Summer newsletter

Welcome to the summer edition of the RECC Newsletter! I know that the first half of the year has been busy for all of you, and I hope things continue in this vein for the rest of the year.

In this edition you can read about RECC's 2020 Annual Report which has just been published. You can also read about Ofgem's 2020/21 Annual Report on the Domestic Renewable Heat Incentive (DRHI). Like me, I think you will be interested to see how much activity there was during the very difficult year we all had last year.

You can read, too, about some interesting research Ofgem has carried out on consumer attitudes to sustainability. It has some interesting pointers for Government currently working on its Heat and Buildings Strategy which aims to pave the way to the electrification of heat in all our homes.

I wish you all an enjoyable rest of the summer, Virginia Graham.



Government's new heat and buildings strategy delayed by concerns over costs

Concerns over costs of electric heating systems are rumoured to have delayed the publication of Government's Heat and Buildings Strategy. It is not now expected to be published until after the Treasury's Net Zero spending review in September.

Some Government Ministers are worried that the cost of installing low-carbon heating systems, such as heat pumps, and improving insulation, will discourage many households from making these changes. The average extra cost of installing an air source heat pump has been estimated at over £10,000, with higher electricity bills a further deterrent.

Opposition MPs, environmental groups and green business representatives are urging Government to act fast to introduce a package of policies which could reduce the costs of installing low-carbon heating systems and eventually bring down consumers' energy bills. They argue that, without the certainty that a strategy on decarbonising homes and offices would bring, the UK will not be able to achieve its aims on climate change.

For more on this, see: https://www.businessgreen.com/news/4034536/ reports-heat-buildings-strategy-ice-autumn

REAL CEO invested with OBE



On 14 July Virginia Graham was invested with the OBE she had been awarded in the 2020 New Year's Honours List.

Investitures were on hold during the lockdowns but have now resumed. In a pared-down ceremony in St James Palace she joined some 30 other recipients. HRH The Prince of Wales presented her with the award.

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RECC PUBLISHES 2020 ANNUAL REPORT

RECC has this week published its 2020 Annual Report, setting out our achievements throughout the year, the 15th of our operation.

Like our members, RECC faced the challenges presented by the COVID-19 lockdown restrictions. Despite largely working at home, the RECC Team continued to provide practical support and advice to members and consumers in line with our aim to maintain high standards of consumer protection in the industry. Overall demand for small-scale renewables picked up strongly during the second half of the year.

We received some 362 applications to join the Code during the year and our overall membership rose by 228 to 1,670. We revised our monitoring process during 2020 so that each applicant now has to undergo a two-stage checking procedure. During the year, the Compliance Team closely monitored 170 members by in-depth compliance check or audit and asked 10 to respond to suspected breaches of the Code and/or Bye-Laws. A total of 11 businesses had their RECC membership terminated.

The Dispute Resolution Team received 305 complaints but



only 80 of these fell within RECC's remit. Over £28,060 was recovered for consumers – an average of £351 for each complaint handled. A total of 14 disputes were referred to the Independent Arbitration Scheme. Of these, 11 claims succeeded with consumers receiving a total of £21,875, an average payment of £1,988 for each dispute.

The Annual Report also summarises activity during the year in the small-scale renewables sector supported by the Domestic Renewable Heat Incentive, launched in April 2014. Air

source heat pumps are still the most popular technology to be installed but account for only 33% of the total capacity installed, compared with 50% from biomass boilers.

The report lists the benefits of the Code for business members and consumers including the affinity arrangements such as discounted access to the Which? Trusted Trader scheme and the Buy With Confidence scheme, backed by local authorities (see box below for more details).

You can find the full report here: https://www.recc.org.uk/scheme/annual-report/2020

MCS publishes standard for the maintenance of biomass boilers



The Standard, which was published at the end of June, was commissioned following the Governments Clean Air Strategy 2018, Urban Biomass Consultation, and the findings of KIWA's research into the 'measurement of the in-situ performance of solid biomass boilers'. Publication comes following several months of industry engagement and is intended to improve the air quality of emissions from biomass boilers.

Government intends to require the owners of biomass boilers in receipt of the Renewable Heat Incentive (RHI) payments, to carry out annual preventative maintenance checks. It is not clear whether this will extend to domestic consumers.

Ian Rippin, CEO of MCS, said:

"This Standard has been designed by the industry for the industry. Appropriate biomass boiler maintenance is crucial to help tackle the air quality effects and emissions. We've designed this new Standard to be easy to understand and comply with."

He added, "The efficient running of a biomass system, thanks to regular maintenance, can reduce costs to the consumer and have a significant impact on reducing emissions."

Government is thankful to MCS, HETAS and the biomass industry for their assistance in developing the Standard. HETAS is set to launch a registration scheme for competent servicing businesses on 1st August.

You can find more details here: https://mcscertified.com/wp-content/uploads/2021/06/Biomass-Maintenance-Standard-V1.0-Final.pdf

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/affinityarrangements

Government issues measures to reduce transport emissions

Government has published a Transport Decarbonisation Plan which aims to reduce emissions from the roads and from the air to net zero by 2040, and from the rail network by 2050. Measures to achieve the transition to green shipping will also be investigated. Almost 25% of the UK's greenhouse gas emissions come from transport.

£2 billion has been invested in walking and cycling with over 300 schemes already being delivered. There are plans in place to reshape the bus network as a public service and, under the newly created Great British Railways, to develop the rail network to make it easier for passengers to use and increase electrification.

The overall approach of the plan is to combine improvements in future transport technology with changes in behaviour and society. Government will be consulting on the banning of all new non-zero emission road vehicles, including heavy good



vehicles, by 2040. It will also be publishing a Green Paper on options for a new regulatory framework to require manufacturers to improve the efficiency of their vehicles.

Government will publish a further delivery plan containing in one document all the measures for decarbonising cars and vans and details of the associated funding schemes.

You can read the Plan here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1007194/decarbonising-transport-a-better-greener-britain.pdf

OFGEM PUBLISHES DRHI ANNUAL REPORT

On 29 July Ofgem published its Annual Report on the DRHI. The Report covers the seventh year of operation of the DRHI, running from 01 April 2020 to 31 March 2021.

Air Source Heat Pumps (ASHPs) remained the dominant technology type, accounting for four out of five of the 11,586 DRHI accreditations in 2020-21 (and three out of five of the 87,337 DRHI accreditations throughout the scheme's lifetime). In total some 45,000 boilers have been replaced through scheme, most of which were systems that used oil, gas, coal and liquified petroleum gas (LPG).

During the year Ofgem made payments totalling some £145 million (and payments totalling £673 million made in the scheme's lifetime). Ofgem estimates that 5,835 GWh renewable heat has been generated by DRHI-accredited installations and that CO2 savings over

the lifetime of the scheme will be equivalent to some 5.3Mt.

Ofgem carries out "desk" and "site" audits each year to make sure participants are complying with scheme rules. During the year Ofgem carried out a total of 1,586 audits, made up of 867 "desk" audits and 719 "site" audits. Some installations are selected for audit randomly from the population. The remainder are sites that may have an increased risk associated to non-compliance with the scheme. The audit work carried out during the year resulted in the protection of over £700,000 in public funds.

You can find the annual report here: https://www.ofgem.gov.uk/sites/default/files/2021-07/
DRHI% 20Annual% 20
Report% 202020-21. pdf

REA CELEBRATES 20 YEARS OF SUCCESS

On 21 July REAL parent company REA celebrated its 20th anniversary by holding an event called Game Changers. In place of what would have been the 16th British Renewable Awards (BREA), the event celebrated past BREA winners,



THE ASSOCIATION
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highlighting their incredible success stories, and the growth in their accomplishments, as well as the accomplishments of the wider renewable energy sector, over the past two decades.

The online event saw some fascinating discussions looking at past successes, taking stock of where the industry currently stands, and taking the experts' views on what the future might hold for the renewable energy sector.

You can watch parts of the Game Changers event online, including the videos documenting the success of REA members <u>here</u>, and a fireside chat between REA CEO Dr Nina Skorupska CBE, and Greg Barker, Baron Barker of Battle <u>here</u>.

MCS PUBLISHES HEAT PUMP GUIDANCE DOCUMENT

MCS has this month published the Heat Pump Guidance Document (MGD 007), including MCS Heat Pump Reference Information and Tools. The document combines numerous heat pump guidance documents and lookup tables into a single user-friendly guidance document.

The combined Heat Pump Reference Information and Tools documents will make it easier for installers to access all the existing guidance and tools available to them including:

- · Domestic Hot Water Cylinder Selection Guide
- GSHP Hydraulics Design Guide
- Heat Emitter Guide For Domestic Heat Pumps
- Met Office Mean Monthly and Annual External Air Temperatures
- Values of Thermal Conductivity
- Group Loop Sizing Tables

You can view MGD 007 Guidance Document here.

GB electricity network operators to invest £300 million in green projects

The Energy Networks Association and Ofgem have pledged to provide £300 million in funding for more than 200 green projects over the next two years as part of the government's 10-point plan for a green industrial revolution.

Electricity distribution companies will support technologies focused on achieving a net zero future, particularly those associated with transport, heat and buildings. They have called for evidence from local authorities, developers and other interested parties to establish the case for extra network capacity in their areas.

The chosen projects include electric flight, shipping, heating and road transportation. It is hoped that these will not only drive a green recovery after the pandemic but also provide the foundation for developing the technologies needed to achieve a net zero future.

Projects announced so far include establishing an electric infrastructure for ferries in the Scottish Isles, garden villages in the Northwest, and fast EV chargers at motorway stations across the country.

It is hoped that this scheme will continue over the next seven years and that it may in future involve the gas network.

You can read the full report here: https://www.energynetworks.org/newsroom/energy-networks-set-to-power-up-the-green-recovery

Electric Vehicle Consumer Code for Home Chargepoints



CONSUMER CODE FOR HOME CHARGEPOINTS

RECC Members can join our sister code, EVCC, for just £50 for the first year of membership!

We know that many RECC Members already install home chargepoints in consumers' homes, often alongside solar PV and battery storage systems. That is why we set up the Electric Vehicle Consumer Code for Home Chargepoints (EVCC) to sit alongside RECC and set out high standards for installers.

By joining EVCC you will:

- show homeowners you are serious about offering high standards of consumer protection
- · stand out from your competitors
- show manufacturers and suppliers you are a serious business dedicated to high standards
- access the latest guidance and model documents, making technical and legal compliance straightforward
- be listed on the EVCC website, increasing your exposure and attracting potential customers to you.

As well as the installers who have already joined EVCC we have three affiliate members who manufacture home chargepoints. They endorse the high standards set out in the Code and encourage their installers to take part.

The 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 more about EVCC, including how to join, here: https://www.electric-vehicle.org.uk/installers



OFGEM SURVEYS CUSTOMER ATTITUDES TO DECARBONISATION

A 2020 Ofgem survey has revealed some interesting findings relating to consumer attitudes to decarbonisation.

Eighty per cent of the consumers who took part in the research said they were concerned about climate change and wanted to help protect the environment. However, many did not know what further actions they needed to take to achieve net zero carbon emissions.

The research project looked at: consumer understanding of decarbonisation; transportation focusing on electric vehicles; home heating and insulation; and smart meters and flexible energy use.

Over 50% of consumers thought they were already doing enough to save energy at home. Only 14% said they were planning to replace their gas central heating systems with heat pumps, largely because they were put off by the prospect of high installation costs, the disruption caused by the installation and scepticism about the money they would eventually save. Those who had already bought electric vehicles were more inclined to consider adopting new ways

of reducing energy use than others. They said they could more easily cope with the costs.

Nearly a quarter of consumers said they planned to buy an electric vehicle or plug-in hybrid in the next five years. However, substantial barriers remain to be overcome before we can expect major changes to transport, home heating, or when energy is used.

Most consumers said they were prepared to install a smart meter and around two thirds said they already try to use appliances at off-peak times. Nonetheless, consumers showed a reluctance to accept smart appliances or smart heating controlled by external companies.

The research showed that motivation to change would not be encouraged solely by increasing awareness. Affordability and perceived compatibility with consumer lifestyles are also likely to play a crucial role.

You can read the report here: https://www.ofgem.gov.uk/publications/consumer-survey-2020-decarbonisation-insights

Solar skills grant scheme launched in London



Solar Energy UK and the Mayor of London launched a grant scheme to support solar businesses in London in mid-July. The purpose of the grant scheme is to support London's solar businesses to provide training for employees as part of their professional development.

Eligible solar companies and contractors working on domestic and commercial rooftop projects will be able to apply for up to £300 to help cover the cost of courses relating to solar technologies, including solar PV, solar thermal, energy storage and electric vehicles, and electrical health and safety training.

The grant scheme will have two application windows. The first window opened at midday on Tuesday 20 July and will run until midday on Tuesday 10 August. The second round of the scheme will run over winter 2021-2022.

London's solar capacity is growing, and the Mayor of London is targeting 1GW of solar deployment by the end of the decade. This could provide enough power to run over half a million electric vehicles each year.

Solar Energy UK Chief Executive Chris Hewett said:

"This is an exciting opportunity for London's solar businesses. The funding we are making available, with the support of the Mayor of London, will enable solar technicians to develop their skills."

Deputy Mayor for Environment and Energy, Shirley Rodrigues said:

"The Mayor has ambitious plans for solar energy in London which will support his target of reaching net zero carbon by 2030 and support green jobs for Londoners, a key part of his Green New Deal mission for London's recovery."

Full details of the grant scheme, including eligibility criteria and an application form, are available here.





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