

Welcome to the second edition of the RECC Newsletter

Welcome to our second newsletter for members. Our first newsletter was very well received by members and a wide range of stakeholders. Once again we are bringing you up to date with the latest developments within the Code and the small-scale renewable sector. The most significant development has of course been DECC's

announcement that the domestic Renewable Heat Incentive will be introduced in spring 2014. We give you the details. Also in this issue you will find a profile of the Chairman of the Non-Compliance Panel. If there are any topics you would like us to cover in future issues please do let me know. Mark Cutler, Editor



RECC outlines RHI consumer protection challenges



David Rae, Stuart Elmes, Virginia Graham and Paul Thompson at the RHI workshop

Attending an REA workshop on the domestic RHI on 5 September in central London RECC Chief Executive Virginia Graham outlined some of the opportunities and challenges for consumers.

The domestic Renewable Heat Incentive was given the green light on 12 July when DECC published its decisions following its earlier

consultation exercise. The scheme is due to launch in spring 2014.

Virginia's presentation followed an introduction by Paul Thompson, Head of Policy at the REA, an outline of the domestic RHI by Patrick Allcorn from DECC and detailed presentations on heat pumps by Rob Gardiner of Myriad CEG Ltd, solar thermal systems from Stuart Elmes of Viridian Solar and biomass boilers by David Rae.

The scheme will cover single domestic dwellings and will be open to home owners, private landlords, social housing providers, third party owners of heating systems and self-builders. It will not be open to heating systems

INSIDE THIS ISSUE

RECC outlines RHI consumer protection challenges	1
Solar PV guidance and model documents	2
RECC opens its books to TSI	2
UK fights to keep 5% VAT for homes	2
Heat pump performance improves in second trial	3
Profile: Chairman of the Non-Compliance Panel	3
Members' survey	3
EU imposes levies on imports of solar PV panels from China	4
RECC auditors meet to share experience	4
MCS Certificate deadline for unregistered systems	4

Continued on Page 2

RECC outlines RHI consumer protection challenges continued...

supplying multiple properties which are already supported by the non-domestic RHI. Nor will it be open to new build properties. Renewable heating systems installed since 15 July 2009 will be eligible provided the product and the installer are MCS-certified (with a valid MCS certificate) and there is an Energy Performance Certificate (EPC) for the property. Cavity wall and loft insulation must have been installed where appropriate. It is possible that additional requirements may be introduced.

In most cases the amount of renewable heat generated will be deemed for payment purposes. For heat pumps and biomass boilers it will be based on an estimated figure of heat demand from an Energy Performance Certificate (EPC). For heat pumps payments will be based on a combination of the heat load identified in the EPC and the efficiency of the system, and will take account of power required to run the heat pump. For solar thermal systems the payment will be based on the performance estimate set out in the MCS standard.

Technology	Tariff (p/kWh)
Air-to-Water Heat Pump	7.3p
Biomass Boiler	12.2p
GroundorWater-sourceHeat	18.8p
Solar Thermal Hot Water	19.2*

*minimum tariff, may be up to 21.7p, to be announced autumn 2013

Ofgem will administer the scheme which will be funded from taxation.

RECC is working closely with DECC, Ofgem and MCS to ensure that consumers are adequately protected. MCS is currently reviewing all its standards in advance of the RHI launch and has launched a number of consultations which can be found on the MCS website here: www.microgenerationcertification.org/mcs-standards/consultations

Solar PV guidance and model documents

As part of its ongoing service to members RECC has completely updated and expanded the guidance and model documents on solar PV.

This brings them fully in line with the updated MCS solar PV standard and the new MCS solar PV guide. You will find guidance on producing consumer proposals and performance estimates, as well as a model proposal letter, a model performance estimate and a model quote and order form.

See: www.recc.org.uk/members

As members you are free to update your own materials as and when it is convenient for you to do so.

We hope that by the end of the year most members will be using the new logo.

RECC opens its books to TSI

The Trading Standards Institute (TSI), the consumer codes approval body, carried out an in-depth audit of RECC on 23 and 24 September.

The audit was part of TSI's regular monitoring of approved consumer codes. RECC was the second approved consumer code to be audited in this way. The outcome will be made available on the TSI website during the coming weeks:

www.tradingstandards.gov.uk/advice/Currentcodesponsors.cfm

The TSI auditors looked in detail at RECC's member application process, auditing, mystery shopping and consumer satisfaction monitoring processes, complaints handling processes, independent conciliation and arbitration outcomes, compliance enforcement processes, guidance, model documents, on-line training and overall governance of the Code.



UK fights to keep 5% VAT for homes

The Treasury has accepted the European Commission's request to abolish the preferential 5% VAT rate on energy efficiency and microgeneration products for installation in buildings used for charitable purposes.

The rate returned to 20% on 1st August. However, the Government will continue to oppose the Commission's request to also raise the VAT rate from 5% to 20% for installations in residential properties.

PROFILE: Chairman of the Non-Compliance Panel



Mary Symes,
Chairman
of the Non-
compliance
Panel

Where the Executive has received complaints from consumers or found evidence during an audit or similar exercise suggesting that a Code Member may have failed to comply with the Code it can refer the member to the Non-Compliance Panel, who are independent of the Executive.

The Non-Compliance Panel holds hearings at which both the Executive and the Code Member have the opportunity to present their case either in person or through representatives. The Panel also has the benefit of seeing all the paperwork, including correspondence relating to the alleged breaches.

Having heard the evidence before it the Panel decides whether a Code Member has breached the Code or not and, if it has, decides on the appropriate and proportionate sanction.

The Chairman of the Non-Compliance Panel is Mary Symes, a non-practising barrister with many years' experience of chairing professional conduct panels

Mary says of her work with the NCP:

"I believe that the work of the NCP is enormously important for consumer protection and maintaining standards across the industry. When consumers raise legitimate concerns about any work carried out under the Code or members appear to have failed to conduct business in accordance with the Code there is an independent body that makes the final decision on breaches in the public interest. Complaints should be dealt with quickly and Code Members should be given every opportunity to respond. I hope that our work on the NCP helps RECC to uphold standards for the benefit of all."

MEMBERS' SURVEY

Thank you to all those of you who have completed the short members' survey we recently sent you by email. If you haven't completed it yet, please do so as soon as you can. It will only take you five minutes!

We are gearing up to launch our new monitoring strategy for 2014. In order for us to ensure that we meet the CCAS requirements for statistical significance we need to obtain certain information from our members. This is the reason we have asked you to complete the short survey. We will aggregate the information we collect in this way and use it to design our monitoring strategy and demonstrate to TSI that it is robust.

RECC auditors meet to share experience

RECC's 17 independent auditors gathered in London on 24 July at the fourth auditors' roundtable.

Working independently in different corners of the UK as they do, auditors value the opportunity to meet from time to time. Over the day auditors shared their experiences with the last recent round of audits and learned from each other's expertise. They appreciated a detailed explanation of the new MCS solar PV standard and guide from Martin Cotterell of Sundog Energy as well as a discussion on the MCS heat pump standards led by Tony Bowen of the Ground Source Heat Pump Association. The eighth round of audits started in September and will run up until Christmas.

MCS CERTIFICATE DEADLINE FOR UNREGISTERED SYSTEMS

MCS has recently written to all installers advising them that all MCS compliant installations installed since 15th July 2009 but not yet registered on the MCS Installation Database (MID) must be registered on the MID by 4pm 22 October 2013.

Although this is primarily aimed at ensuring all installations of heat generating technologies have been

registered with MCS before the domestic RHI launches, the change will also apply to electricity generating technologies. After this date it will be no longer possible to register these installations on the MID and obtain an MCS certificate.

It is already an MCS requirement that installations must be registered within 10 working days of a system being fully installed and commissioned. After 4pm 22 October MCS will only allow the registration of systems within the 10 working day period from the commissioning date. Failure to register installations on the MID will mean that installers will be unable to obtain an MCS certificate.

EU imposes levies on imports of solar PV panels from China

In September 2012 the European Commission began an anti-dumping investigation into the imports from China of solar panels and their key components – wafers and cells.

In international trade, dumping is defined as charging a lower price in the export market than is charged in the home country of the producer. It is seen as an anti-competitive strategy aimed at capturing market share in the export market using profits made in the domestic market. In November that year the EC also commenced a parallel anti-subsidy proceeding.

With effect from 6 June 2013 all Chinese solar panels, wafers and cells cleared through customs into the EU up until midnight on 5 August had to be accompanied by a bank guarantee for the amount equivalent to 11.8% of their customs value. From 6 August the duties have automatically risen to between 37.3% and 67.9% depending on the Chinese manufacturer. If a negotiated settlement is not agreed before, these duties will remain in place up to 5 December at the latest when definitive duties will be applied.

The anti-subsidy investigation is running parallel to the anti-dumping investigation. It began on 8 November 2012 in response to a complaint by the EU industry.



The European Commission can, within a period of nine months, decide to impose provisional anti-subsidy duties. However, in this case, the investigation would continue without provisional measures and the Commission would aim to arrive at definitive findings by the end of the year.

HEAT PUMP PERFORMANCE IMPROVES IN SECOND TRIAL



The results of Phase 2 of the Energy Saving Trust's (EST) heat pumps trial show that there have been improvements in performance since 2010 and more than 80 per cent of users are now satisfied with the heating and hot water provided by their systems.

77 per cent would recommend a heat pump system to their friends.

The EST is the UK's leading organisation helping people to save energy and reduce carbon emissions. The first phase of this field trial covered 83 sites and was completed between 2008 and 2010.

The second phase took an in-depth look at 44 sites and analysed the factors that

had led to variations in performance in the first phase. It also gathered detailed feedback from householders after a year's monitoring. The results of the field trial identified various areas where improvements could be made, particularly in the design and control of heat pump systems and the information and guidance given to householders.

Overall the trial showed that correct design and installation was more important than consumer use in its impact on performance and it is expected that even greater improvements in performance will be achieved as the new MCS standards for installation become more widely used.