

Welcome to the third edition of the RECC Newsletter

Happy New Year and welcome to the third newsletter. I hope you had a good Christmas break. This edition brings you up-to-date with the latest developments with the Code and the small-scale renewable sector.

I hope you find it interesting. Do let me know if you have any suggestions for future editions.



Mark Cutler, Editor



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MCS updates Installer Standards

In December the Microgeneration Certification Scheme (MCS) published updates to some of its installer standards.

These included changes to heat standards to support the domestic Renewable Heat Incentive, guidance on heat metering, updates on the competency criteria that underpin the installer certification scheme and the response to public consultation on these and other issues.

MCS have also launched a Competency Checker Tool which helps installers gather together the evidence of their qualifications and experience, and identify any gaps they might have, before they apply for certification.

More information about these updates can be found on the MCS website: www.microgenerationcertification.org/mcs-standards/installer-standards

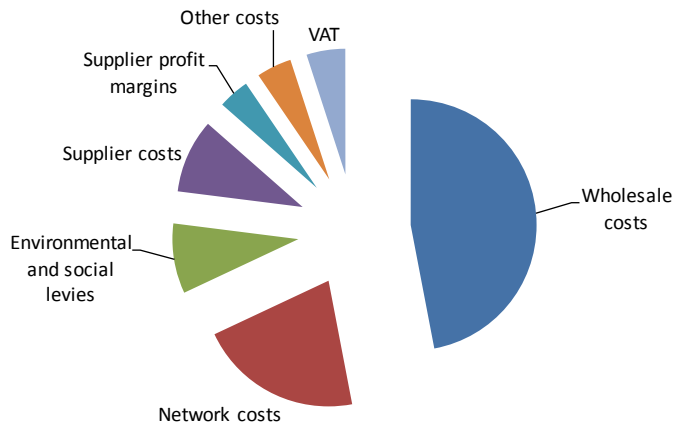
EST issues consumer guides

The Energy Saving Trust (EST) has been working with industry and the Department of Energy and Climate Change (DECC) to produce new guides for consumers with advice on a range of different technologies from biomass heating to solar water heating and wind turbines.

The guides explain what types of financial support are available and how to find installers and products.

They also help consumers decide whether a particular technology would be suitable for their home and what financial benefits can be expected. Lastly, they guide consumers on how to choose installers who are members of RECC and MCS certified.

You can find these useful guides on the Energy Saving Trust website: www.energysavingtrust.org.uk/Generating-energy/Getting-started-with-renewables/Microgeneration-guides



The best estimates available suggest that a typical domestic dual fuel bill is made up as follows:

Wholesale costs 46-48%; network costs 20-23%; environmental and social levies 8-10%; supplier costs 9-10%; supplier profit margins 3-5%; other costs 4-5%; and VAT – 5%.

However, there is still widespread debate about the reasons for the latest price rises and how big a part company profits play.

All the while that energy prices continue to rise the benefits of renewable energy are likely to attract even more consumers seeking to save money on their energy bills.

Source: www.parliament.uk/briefing-papers/sn06751/components-of-an-energy-bill

In the wake of the latest round of energy price rises there has been much discussion of the various elements that make up a domestic energy bill and which of those are responsible for the latest increases.

NEW INDUSTRY GUIDELINES FOR DIGITAL MARKETING



PhoneyPayPlus recently published guidelines on the use of certain digital marketing practices that they have identified can be misleading to consumers.

The guidance aims to assist providers of premium rate services to ensure that their promotions remain compliant with the PhoneyPayPlus Code of Practice. The guidance covers the use of content locking, adware and certain promotions on social networking sites.

The guidance is available here: www.phoneypayplus.org.uk/News-And-Events/News/2013/11

RENEWABLE ENERGY PROGRESS REPORT PUBLISHED

DECC has published its second progress report on the promotion and use of energy from renewable sources. It puts the share of renewables in the energy mix at the end of 2012 at 4.2% (2.3% renewable heat, 10.8% renewable electricity and 3.7% renewable transport). The UK is legally committed to meeting 15% of the UK's energy demand from renewable sources by 2020.

Looking beyond 2020 the European Commission recently published its views on a 2030 energy and climate

change framework which sets a binding greenhouse gas target of a 40% reduction (vs 1990 levels) and a binding renewable energy target for the EU as a whole of 'at least 27%'. However there would be no individual renewables targets at a Member State level.

You can find further information about DECC's report here: www.gov.uk/government/publications/second-progress-report-on-the-promotion-and-use-of-energy-from-renewable-sources-for-the-united-kingdom and further information about the 2030 climate and energy goals here: http://europa.eu/rapid/press-release_IP-14-54_en.htm

Solar PV deployment hits half million milestone

The Total Installations under the Feed-in-Tariff (FiT) now exceeds 500,000 with a total installed capacity of 1.8 GW.

This figure does not include FiTs registrations above 50 kW, or registrations under the Renewables

Obligation. It is estimated that the cumulative UK solar PV capacity stands at approximately 3.0 GW.

Source of FiT data: www.gov.uk/government/statistical-data-sets/weekly-solar-pv-installation-and-capacity-based-on-registration-date

EU DUTIES ON SOLAR PRODUCTS FROM CHINA CONFIRMED

On 6 December 2013 a Commission Regulation came into force imposing anti-dumping and countervailing (anti-subsidy) duties on solar products imported from China up to 6 December 2015. A

Commission Decision also confirmed the price undertakings accepted.

You can find further information and analysis here: <http://seti-alliance.org/en/node/91>



Where there is some doubt about an applicant's eligibility for RECC membership the application we pass to the independent Applications Panel to decide on the merits of the case.

The Panel has an independent Chairman with a majority of its members independent of the sector. They review all the evidence put before them and make the final decision on whether an applicant meets the Circumstances for Refusing Membership set out on the RECC website: www.recc.org.uk/join/circumstances-for-refusing

The Chairman of the Panel is Keith Richards, a non-practising barrister and author of several consumer law books. He is also Chair of the Royal Institution of Chartered Surveyors

(RICS) Global Ethics Committee and was for many years Head of Business Development and Consumer Affairs at ABTA - The Travel Association and Senior Campaigns Lawyer at Which? magazine.

Commenting on his role Keith said: "The RECC Code sets high standards of entry and on-going behaviour. We must be confident that companies and individuals are prepared and are able to comply with the Code standards before we accept them as members. If there is any doubt about an applicant's ability to meet the standards we may attach conditions to their membership or refuse them altogether. It is crucial to the credibility of this fast-expanding industry that consumers can be confident that they will receive competent, honest and professional service. Our role is to ensure that the

RECC logo provides a clear symbol that consumers can rely on when choosing an installer and buying what are often very complex products that they may only buy once or twice in their lifetime."

At least three Panel members including the Chairman attend each meeting. The other members of the Panel include: Bryn Aldridge, James Court, Alastair Keir, Nina Dutta, Sarah Chambers and Fiona Tittensor.

Keith Richards,
Chairman of
the Applications
Panel



TSI CCAS marketing

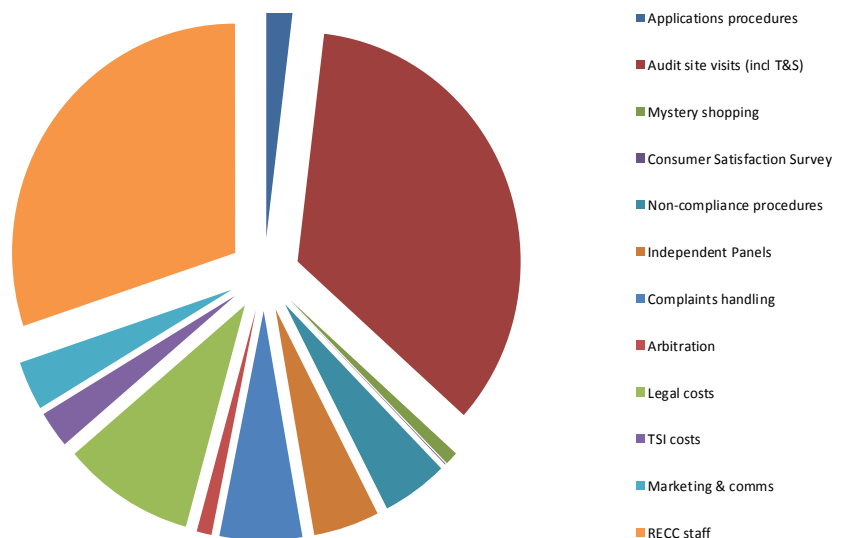
As part of its marketing strategy Trading Standards Institute (TSI) will run pilot campaigns with Facebook and Google ads over the next two months.

TSI is aiming to:

1. raise awareness of the Consumer Code Approval Scheme (CCAS) among consumers
2. increase the CCAS brand recognition overall
3. drive traffic back to the CCAS website and search facility, and in turn to codes' and members' own websites.

TSI is also planning to build a CCAS marketing pack over time. If you have ideas of what should be in it, or if you would be interested to see the results of the pilot campaigns, please do contact us at info@recc.org.uk

RECC 2014 budget: how it breaks down



Members often ask us where their money goes. We thought it would be useful to share a breakdown of the 2014 budget with readers.

The Renewable Energy Consumer Code is run on a not-for-profit basis and aims to help consumers choose a reliable company when considering small scale renewables and thus to promote the sector.

The majority of RECC's income is spent on monitoring members' compliance with the Code, including audits, mystery shopping and application checks. Significant resources are also spent resolving consumer complaints and running the independent Applications and Non-compliance Panels.

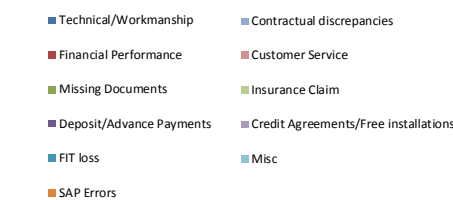
FAILURE TO REFUND DEPOSITS MAJOR CAUSE OF RECC COMPLAINTS

From time to time we look at the underlying causes of the complaints consumers register with RECC. Our most recent breakdown from 2013 shows that 20% of complaints concerned deposits and advance payments.

Most of these complaints come from consumers who had cancelled their contract within or outside the "cooling off" period, or the member had found the installation to be unsuitable for their property causing them to cancel. The member had not refunded any or part of their deposit. This category also included complaints where consumers had made advance payments for pre-contractual activities, such as surveys.

The Renewable Energy Consumer Code requirements in this area are set out clearly in Section 6.3:

- deposits must not exceed 25 % of the estimated overall costs under any circumstances and can only be used for work under the contract
- deposits must be repaid promptly if the contract is cancelled in line with the conditions set out in the Code and the law
- further advance payments can be taken no more than three weeks before the agreed delivery date of all the goods to be installed and can only be used for work under the contract



- the deposit and further advance payment, taken together, must not exceed 60 % of the estimated overall costs under any circumstances
- these funds must be placed in a secure third party account and insured
- if a contract is cancelled outside the 'cooling off' period, only reasonable, itemised costs incurred under the contract can be retained
- marketing costs, 'loss of profit', 'loss of wages', training or other pre-contractual costs cannot be retained.



REIGA no longer issuing guarantees

Renewable Energy Installation Guarantee Agency (REIGA) has ceased to issue guarantees with effect from the 1 January 2014 and will be wound down. REIGA has insurance backing for the guarantees it issued.

The REIGA directors have undertaken that no consumer or installer will be left out of pocket as a result of it ceasing to trade, and has committed to return all funds owed to installers in the form of bonds 'by the end of February'. They have also reassured installers that, although it will not issue any new guarantees, REIGA will continue to administer claims received up to 31 December 2013. They stated: "The [REIGA] board of directors wanted to ensure that ... no home owner will be in a position where a legitimate claim would not be backed up by insurance."

The Sustainable Homes Show is taking place from 27 to 30 March in Birmingham. If you are attending please do drop by our stand.

You can find further information about the event at www.homebuildingshow.co.uk/what-is-on

The annual TSI Conference is taking place in Harrogate from 30 June to 3 July. RECC will be exhibiting.

For more information see www.tradingstandards.gov.uk/events/TSIconference2014.cfm?frmAlias=/conference2014/

