

REA response to the consultation on the Boiler Upgrade Scheme and certification requirements for clean heat schemes

The <u>REA</u> (<u>Renewable Energy Association</u>) is pleased to submit this response. The REA represents industry stakeholders from across the sector and includes dedicated member forums focused on biomass heat, green gas & hydrogen, biomass power, renewable transport fuels, thermal storage and energy from waste (including advanced conversion technologies). Our members include generators, project developers, heat suppliers, investors, equipment producers and service providers. Members range in size from major multinationals to sole traders. There are around 500 corporate members of the REA, making it the largest renewable energy trade association in the UK.

We have only responded to questions of relevance to REA members and where we have views or data to support our responses.

Part two: Certification requirements for clean heat schemes consultation

Question 1: What are your views on the current position in relation to the Boiler Upgrade Scheme, the Warm Homes: Social Housing Fund and the Warm Homes: Local Grant i.e., allowing for MCS or equivalent in relation to certification of clean heat products, installers and installations? Please make clear in your response if your views apply across all schemes or refer to a specific scheme/schemes.

Across all schemes, we support the current position of allowing for MCS or equivalent certification of clean heat products. Having more than one scheme promotes competition which can drive up standards, keeps costs down, and provides installers and consumers with more choice, based on commercial performance. An important aspect of the MCS standards for installers has been the requirement for the installer to be a member of a CTSI approved consumer code such as RECC or HIES which provides high levels of consumer protection and access to approved dispute resolution services. Any equivalence to an MCS must deliver these high levels of consumer protection with routes for consumers to resolve issues and complaints with the installations.

The MCS product standards and installer standards have been developed over many years with considerable input from industry using real world experience. Any equivalent certification scheme must be able to deliver to these same quality standards, either through the certification against the same MCS standards or through a Government recognised process for approval of alternative equivalent standards.

Question 3: What are your views on the advantages that would stem from a sole certification scheme for clean heat measures?

The main benefit for having one certification scheme would be to simplify the certification landscape for consumers. Navigating multiple regulators can be confusing, so having one scheme could help customers when it comes to knowing who to direct queries, complaints, and claims to. However, these advantages could be outweighed from the risks of having a single point of failure for the industry, and benefits of competition.

Question 4: What are your views on the advantages that would stem from a certification system which may include multiple certification schemes for clean heat measures?



While we appreciate the potential need for simplifying the consumer landscape, we believe the benefits from having multiple certification schemes for clean heat measures far outweighs the rationale for having just one. As mentioned in response to question one, more competition in the market can push standards up and costs down, provided there is oversight of the different schemes to ensure there isn't a 'race to the bottom' in terms of standard of service and delivery. Having just one certification scheme can also result in delays, for example we know long lead times is deterring some applicants from applying at present.

In addition, if there is just one certification scheme, then that means there is only one single point of failure. Instead of mandating one certification scheme, Government could instead mandate a robust set of criteria, which included consumer protection in addition to technical competency, that certification schemes must meet to be recognised by Government-funded clean heat measures. This would ensure the highest possible standards, providing consumers with more choice and better protection, while keeping costs competitive.

Question 5: Do you agree with the proposal to mandate MCS as the sole certification scheme for clean heat installations under government clean heat schemes and remove the option for equivalence? Yes/No. Please provide evidence to support your response.

No.

There should always be a route for new market entrants that could offer better and/or cheaper services either for the benefit of the customer/consumer or to apply pressure to drive up standards in the incumbent certification bodies. As MCS is no longer a Government owned scheme there needs to be measures to ensure that high standards are maintained which could include market pressure from competitive certification schemes.