

GAIN CONFERENCE 2011

10th November



THE GOVERNMENT GREEN DEAL

**Keynote Speaker: David Purdy, Green Deal Team,
Dept. of Energy & Climate Change**



The Green Deal and ECO

GAIN Conference, Manchester

David Purdy

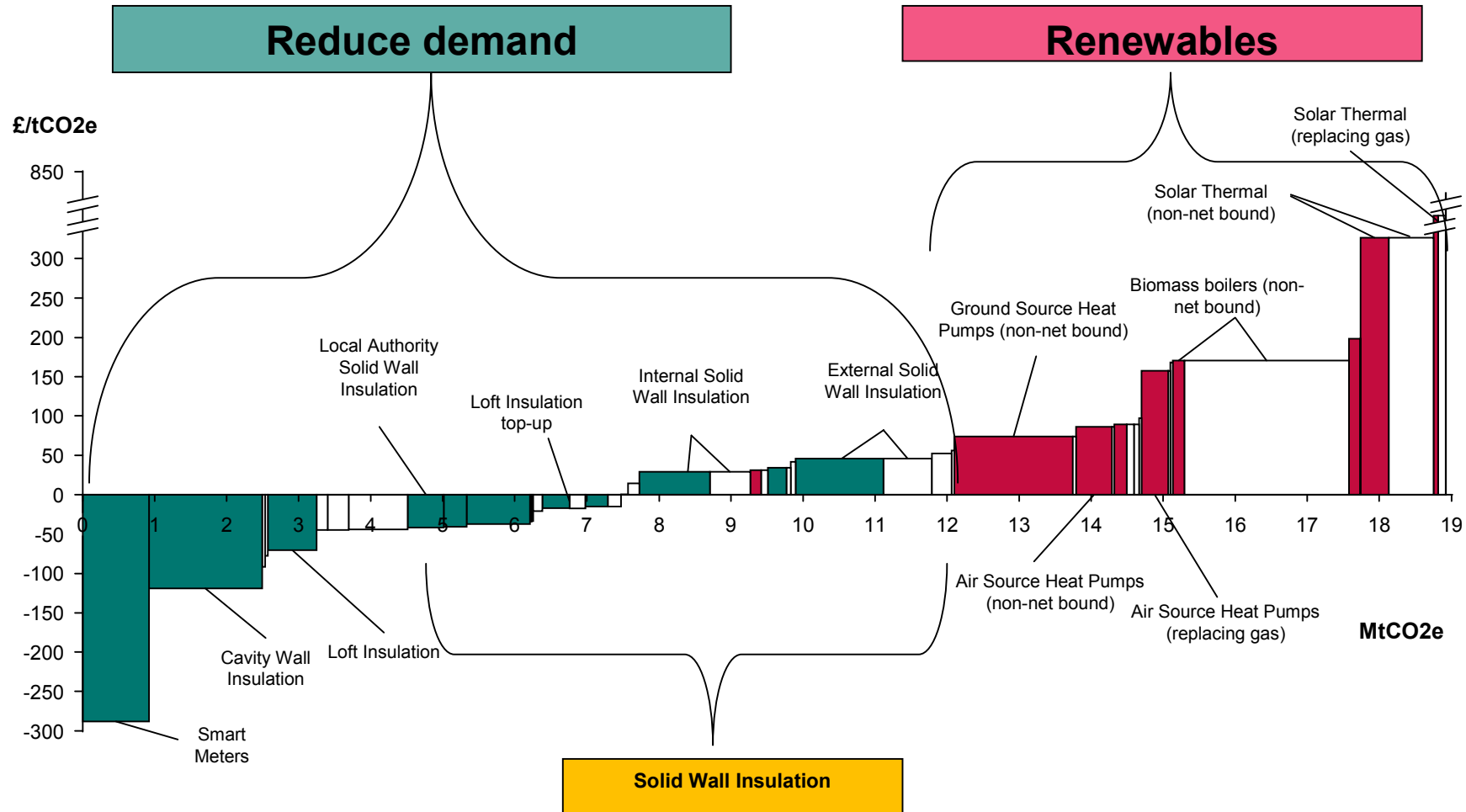
DECC

Green Deal: Key stages



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- **Royal Assent**
 - **Consultation**
 - **Statutory Instruments**
 - **Standards and accreditation**
 - **Development phase**
 - **Procurement**
 - **Remote advice**
 - **Launch October 2012**
 - **Oversight**

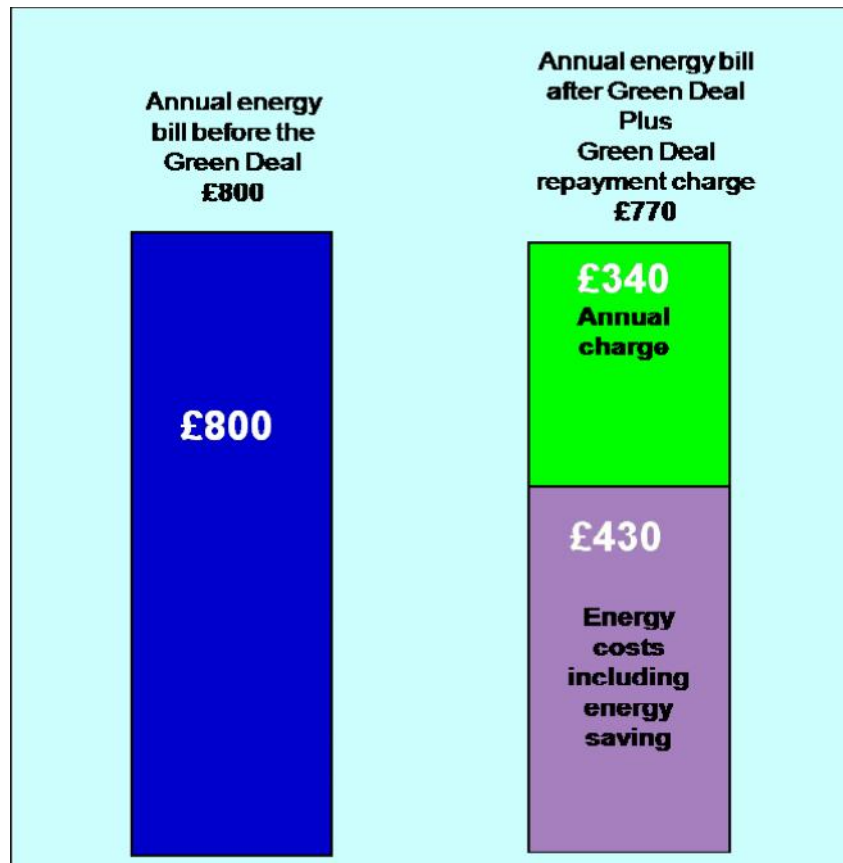
Saving more carbon



Note: The technical potential indentified in the MACC reflects judgements made on feasibility which are subject to uncertainty.

The key principle: The Golden Rule

Green Deal repayment – *illustrative only*



- Repayments will be made through energy bills
- The cost of installation will stay with the property rather than the original bill-payer
- Applies to businesses too
- Are the savings guaranteed?
 - No – but they will be based on typical savings. We cannot account for changing energy prices or behaviour change.
 - A Code of Practice will ensure the benefits of measures cannot be overstated.
 - The assessment will cover how the energy bill payer can benefit most from the measures installed.

What fails the Golden Rule...and where we still want activity

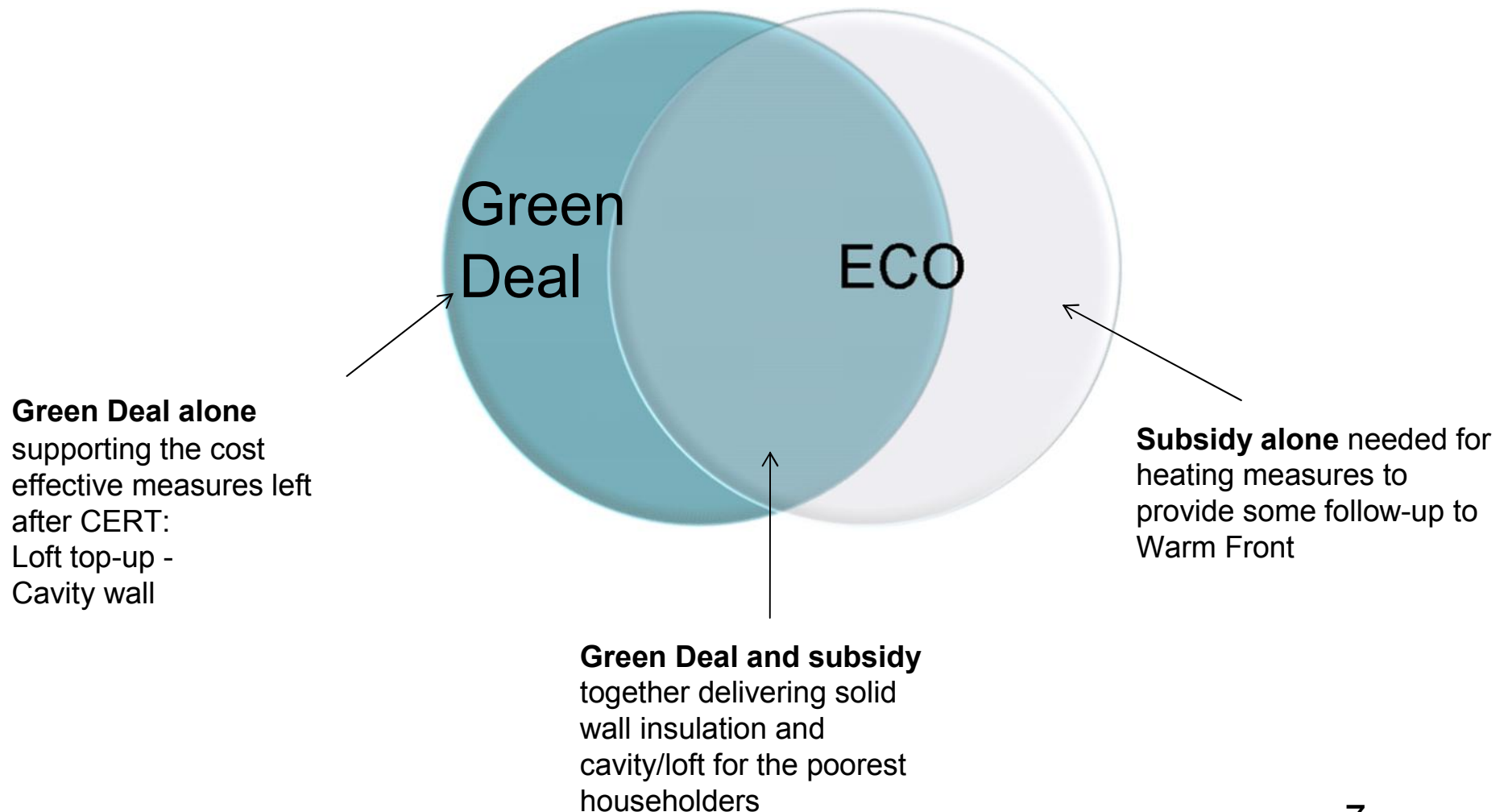
- Solid wall insulation (in many cases)



- Under-heating households (who are poor or vulnerable)

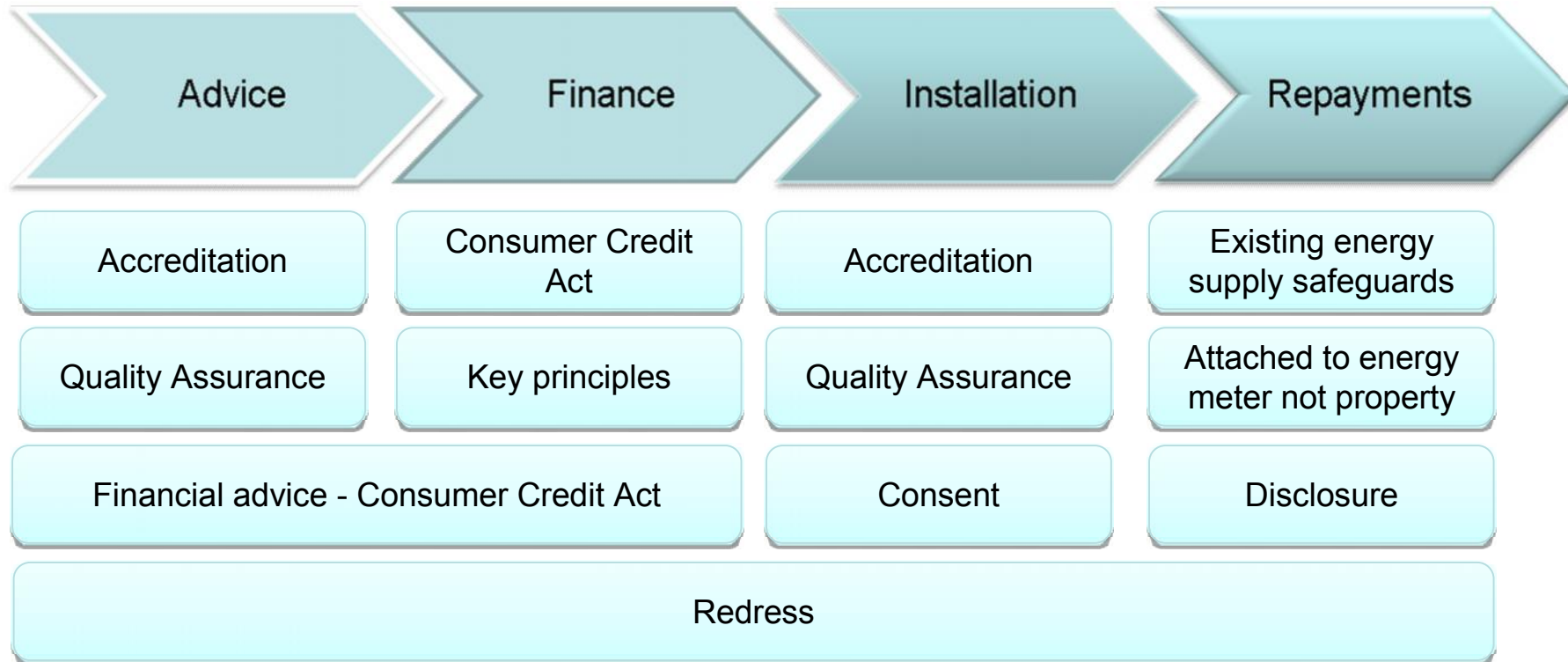


ECO and Green Deal work together



The customer journey

Consumer protections will be in place for each part of the journey



- The **adviser** who does a bespoke property assessment to advise you on how you can make your home or business more energy efficient will be Green Deal accredited
- The **measures** recommended and the **installer** who installs them will be Green Deal accredited
- The **Green Deal plan**, which establishes the finance repayments, will be Green Deal accredited

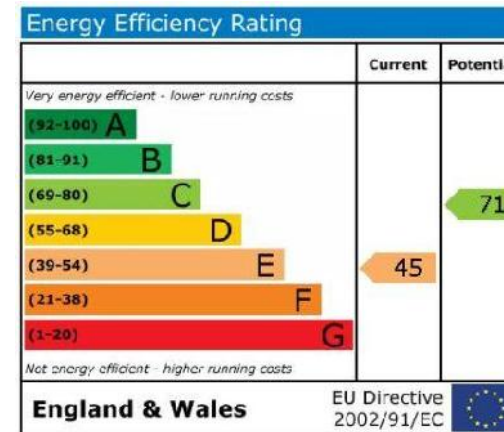
Towards a recommended package



- Assessment carried out by an accredited Green Deal Advisor
- The Green Deal Advisor will produce:

-**Energy Performance Certificate (EPC)** recommending an appropriate package of measures that may be financed with Green Deal

- further assessment of **how the occupants use energy in their home/ business**



Recommended Green Deal package	
Green Deal package	Typical annual savings
Increase loft insulation to 270 mm	£49
Hot water cylinder thermostat	£97
New condensing boiler	£272
External or internal solid wall insulation	£262
Total savings	£680

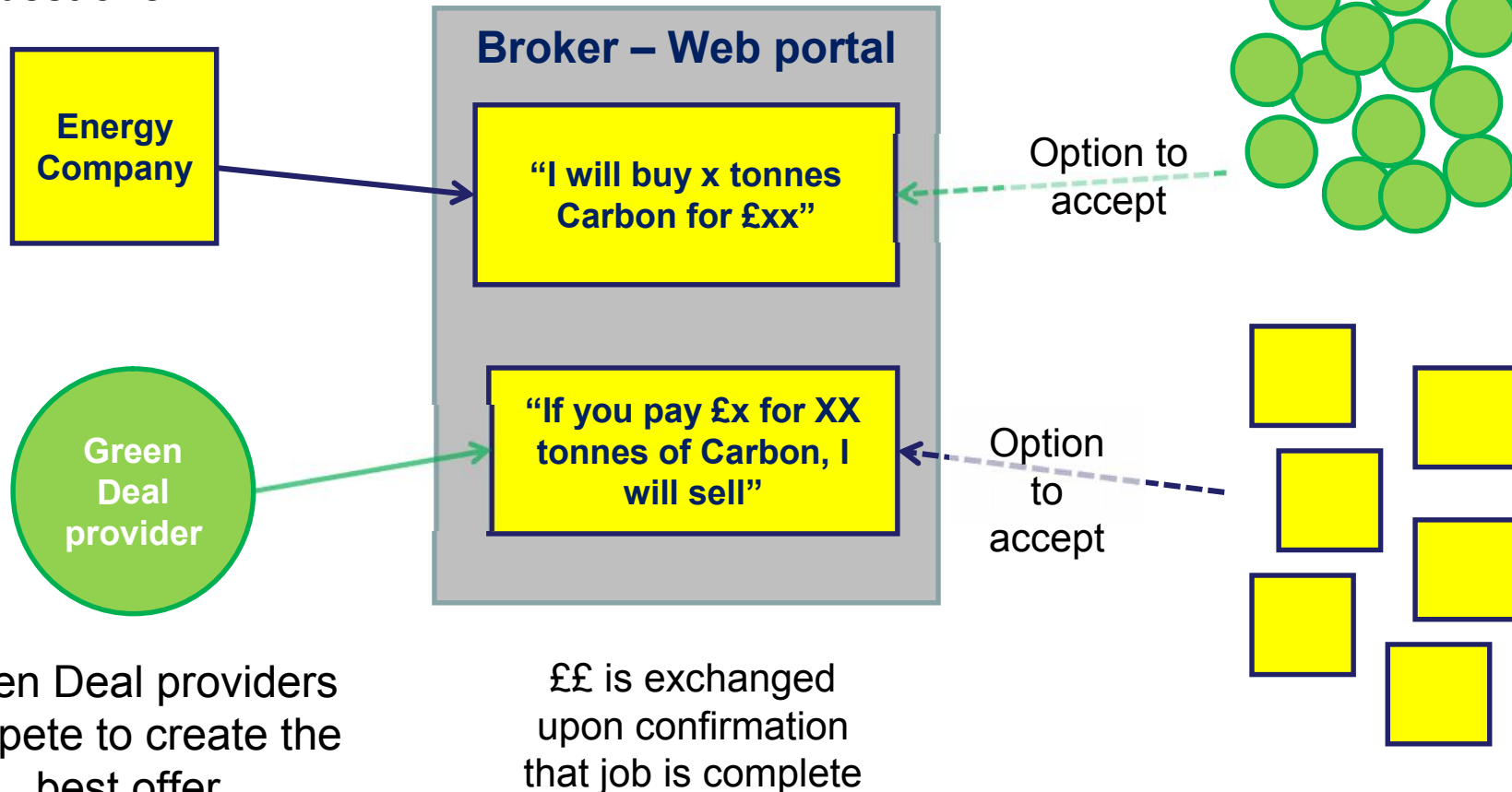
Eligible measures



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- Biomass boiler
 - Biomass room heater with boiler
 - Cavity wall insulation
 - Gas condensing boiler
 - Condensing oil boiler
 - Cylinder thermostat
 - Double glazing (need to broaden description)
 - Draught proofing
 - Flat roof insulation (need to include pitched roof)
 - Floor insulation
 - Flue gas recovery devices
 - Ground or air source heat pump
 - Heating controls (for wet central heating system and warm air system)
 - High performance replacement doors
 - Hot water cylinder insulation
 - Loft hatch insulation
 - Loft insulation
 - Lighting systems, fittings and controls
 - Mechanical extract ventilation with heat recovery (*subject to savings being modelled*)
 - Micro CHP
 - Micro wind
 - New or replacement storage heaters
 - Photovoltaics
 - Replacement warm-air unit
 - Room in roof insulation
 - Secondary glazing
 - Solar water heating
 - External and internal Solid wall insulation
 - Under-floor heating
 - Upgrade boiler
 - Waste water heat recovery system (*subject to savings being modelled*)

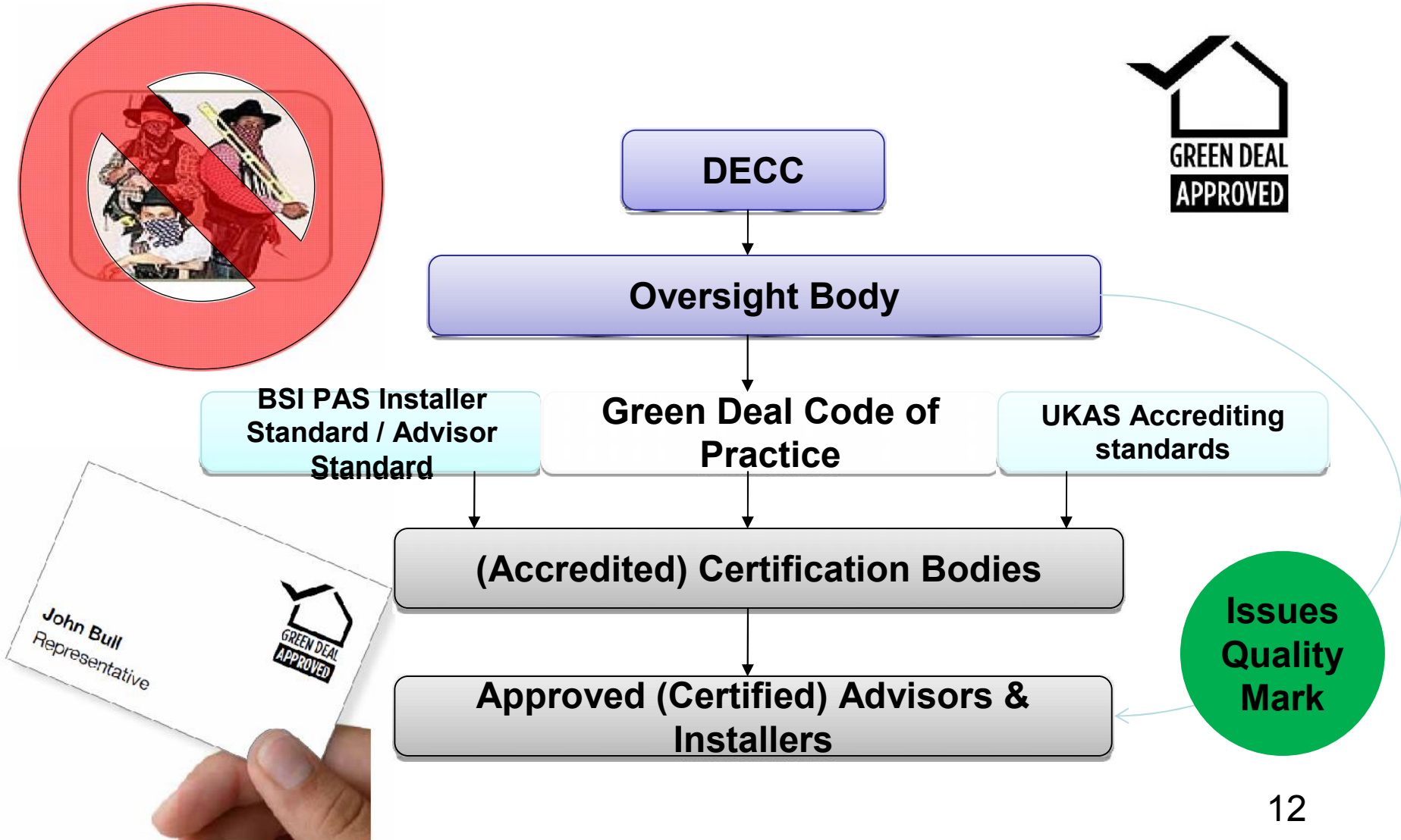
A potential brokerage model for ECO??

Energy companies
compete to create the
best offer



Green Deal providers
compete to create the
best offer

Approval and the Green Deal Quality Mark



Three main business models



One Stop Shop Green Deal Provider

In-house assessor, installer, finance

Brand

markets the Green Deal, manages contracts and provides finance

Assessor and installer businesses

contracted to carry out installation

Smaller installer

markets Green Deals (through existing customer networks or while carrying out other work on a property)

Finance provider

acts as Green Deal Provider for SMEs

Delivering Green Deal: stimulating demand



We know that there remains a job to do to stimulate demand for these measures...



Establish trust – provide assurance on standards for installers and assessors



Provide advice and information – digitally and by phone



Encourage local promotion – get support for Green Deal from energy companies and local authorities



Use cross-promotion – linking subsidy for renewables to energy efficiency measures having been undertaken



Improved Energy Performance Certificate – signposting of customers to the Green Deal



Private rented sector – requirements from 2016 and minimum standards from 2018

Thank you

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