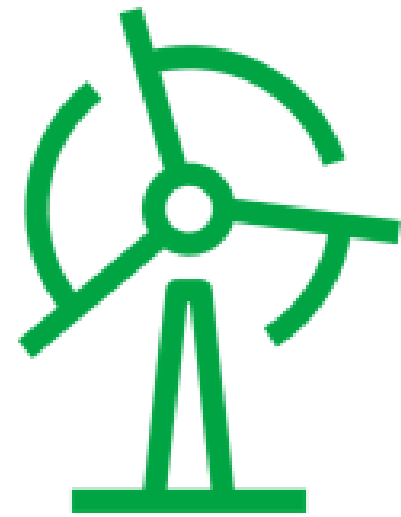


Understanding the Retrofit Funding Environment

Energy Company Obligation & Great British Insulation Scheme

Understanding the Retrofit Funding Environment

ScottishPower



ScottishPower Renewables

- | Develops, constructs and operates onshore and offshore windfarms, battery storage and solar.
- | ~3 GW total installed capacity
- | Community benefit fund > £64M



SP Energy Networks

- | Responsible for regulated electricity network businesses across three nations in the UK, keeping electricity flowing to homes and businesses.
- | Serving 3.6M households and businesses
- | Priority services register



ScottishPower Customer Business

- | Supplies electricity and gas to our customers and provides solutions to help support and decarbonize their homes
- | 4.5M UK supply customers
- | **Energy Company Obligation (ECO)**
- | **Great British Insulation Scheme (GBIS)**
- | Warm Home Discount

What is ECO?

Energy Company Obligation (ECO)

1st Apr 2022 – 31st Mar 2026

Support the most vulnerable households in the least efficient homes

Funding for fabric first, whole house retrofit

Improve energy performance on households by 2 x EPC bands

F&G - D

D&E - C

- Vulnerable households in or at risk of fuel poverty
- Inefficient homes = EPC Bad D, E, F or G
- Fabric first = property maintained and insulated to retain heat
- PAS2035 – holistic approach to retrofit
- Low carbon heating upgrades
- £4Bn Budget across energy sector
- Consumer protection: PAS2030; MCS; Trustmark accredited supply chain



What is ECO?

ECO Measures

Pre-Install assessment identifies condition of property (SAP score / EPC Band)

PAS2035: Retrofit Advisor, Assessor, Co-Ordinator, Designer and Evaluator

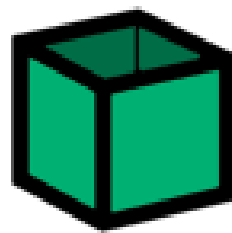
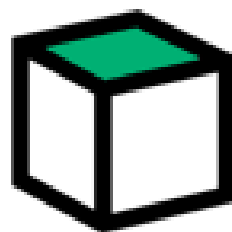
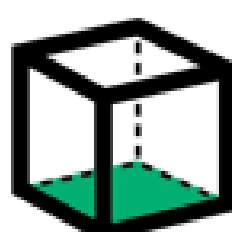
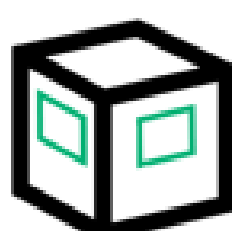
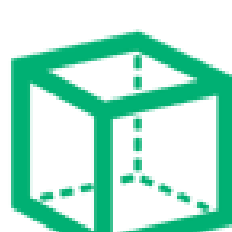
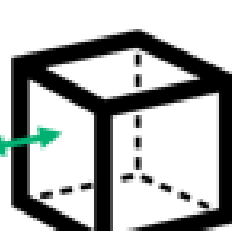
Primary fabric improvements required before heating measures can be supported

Funding based on Annual Bill Savings (ABS) from eligible measures installed within property

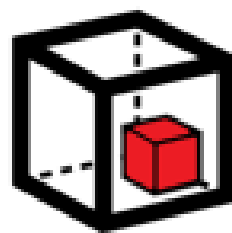
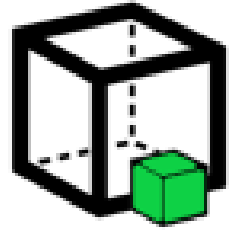
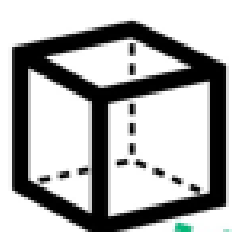
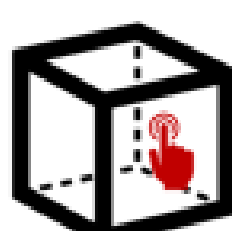
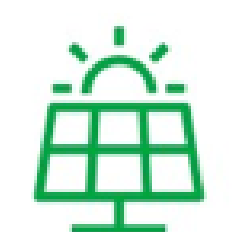
Uplifts available for rural off-gas areas in Scotland

ECO Guidance / Measure tables / Scores matrices available on Ofgem website

Fabric Improvements

Wall Insulation		<ul style="list-style-type: none">• External wall• Cavity wall• Internal wall• Hybrid wall• Party wall
Roof Insulation		<ul style="list-style-type: none">• Loft• Flat roof• Pitched roof• Room-in-roof
Floor Insulation		<ul style="list-style-type: none">• Solid floor• Underfloor
Windows / Doors		<ul style="list-style-type: none">• Window glazing• High performance external doors
Draughtproofing		
Ventilation		<ul style="list-style-type: none">• PAS 2030:2019• PAS 2035:2019

Heating Improvements

Non-renewable heating		<ul style="list-style-type: none">• Upgrades• Replacements• First Time Central Heating
Renewable heating		<ul style="list-style-type: none">• Upgrades• Replacements• First Time Central Heating
District heating		<ul style="list-style-type: none">• District Heating Connection
Controls		<ul style="list-style-type: none">• Programmer & room thermostat• Smart thermostat• TRV• Time and temperature zone control• Compensation
Solar		

ECO4 Case Study

- | Semi-detached house
- | EPC Band F
- | Partially insulated
- | Inefficient electric system in situ

Retrofit Project

- | Loft Insulation
- | Air Source Heat Pump system
- | 3 year annual service plan
- | Solar panels
- | Smart meter upgrade



Investment of
over £20k



EPC improved
to B



Indicative Annual
Bill Savings of
1.3k

What is GBIS?

Great British Insulation Scheme (GBIS)

1st Apr 2022 – 31st Mar 2026

GBIS / ECO+

- Designed as a single measure scheme
- Cost-effective measures at scale
- £1Bn budget across energy sector

Low Income Group 20% of target

- ECO4 qualification criteria
- EPC Band D-G
- No Cost

Generals Group 80% of target

- EPC Band D-G
- Council Tax Band A-E (Scotland)
- Contributions may be required



What is GBIS?

GBIS Measures

Pre-Install assessment identifies condition of property (SAP score / EPC Band)

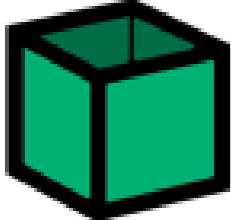
PAS2035: Retrofit Advisor, Assessor, Co-Ordinator, Designer and Evaluator

Funding based on Annual Bill Savings (ABS) from eligible measures installed within property

GBIS Guidance / Measure tables / Scores matrices available on Ofgem website

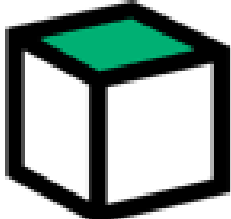
Fabric Improvements

Wall Insulation



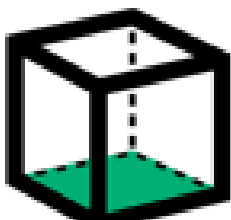
- External wall
- Cavity wall
- Internal wall
- Hybrid wall
- Party wall

Roof Insulation



- Loft
- Flat roof
- Pitched roof
- Room-in-roof

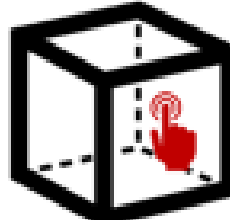
Floor Insulation



- Solid floor
- Underfloor

Heating Improvements

Controls



- Programmer & room thermostat
- Smart thermostat
- TRV
- Time and temperature zone control
- Compensation

Low-Income households only

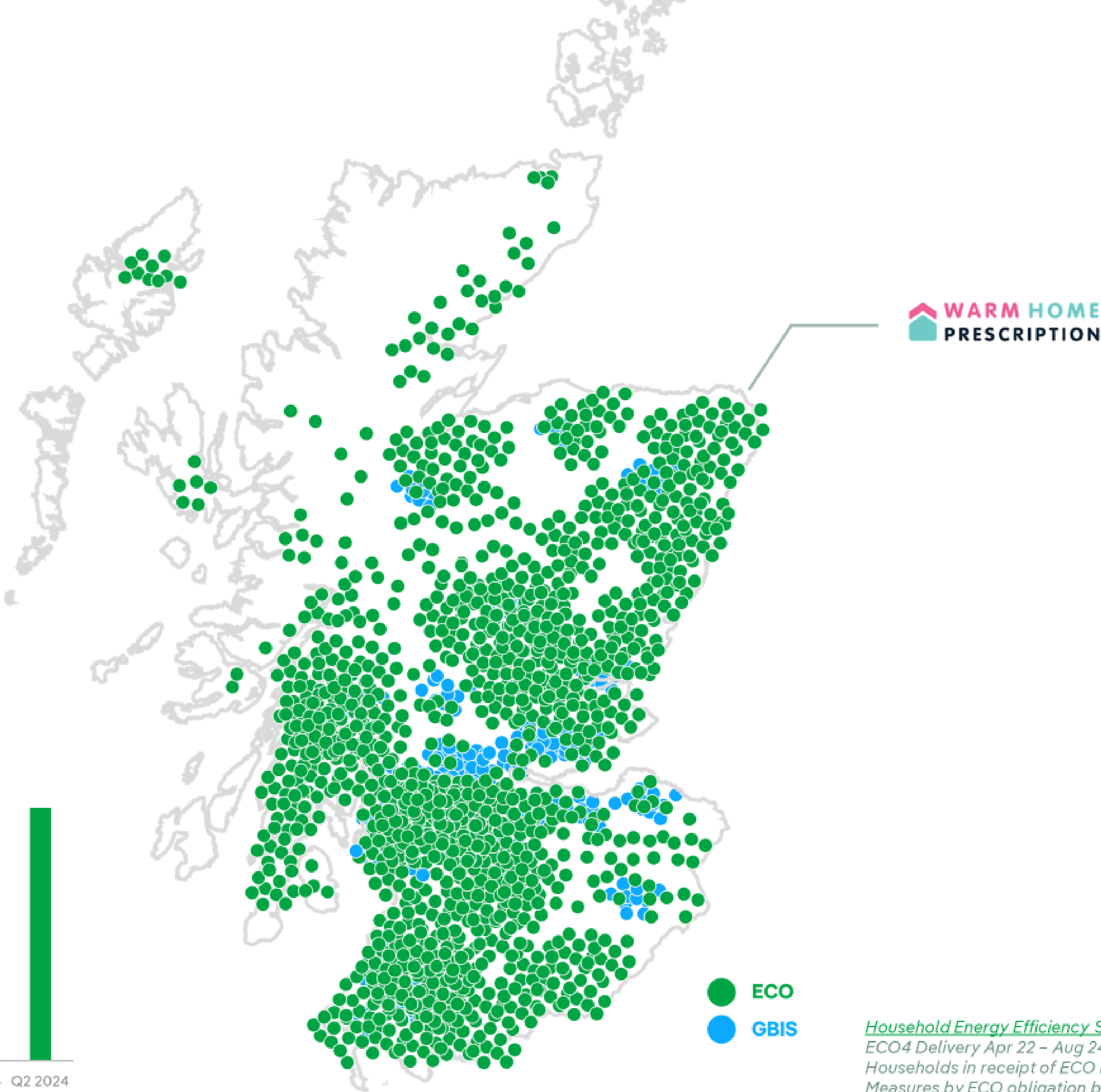
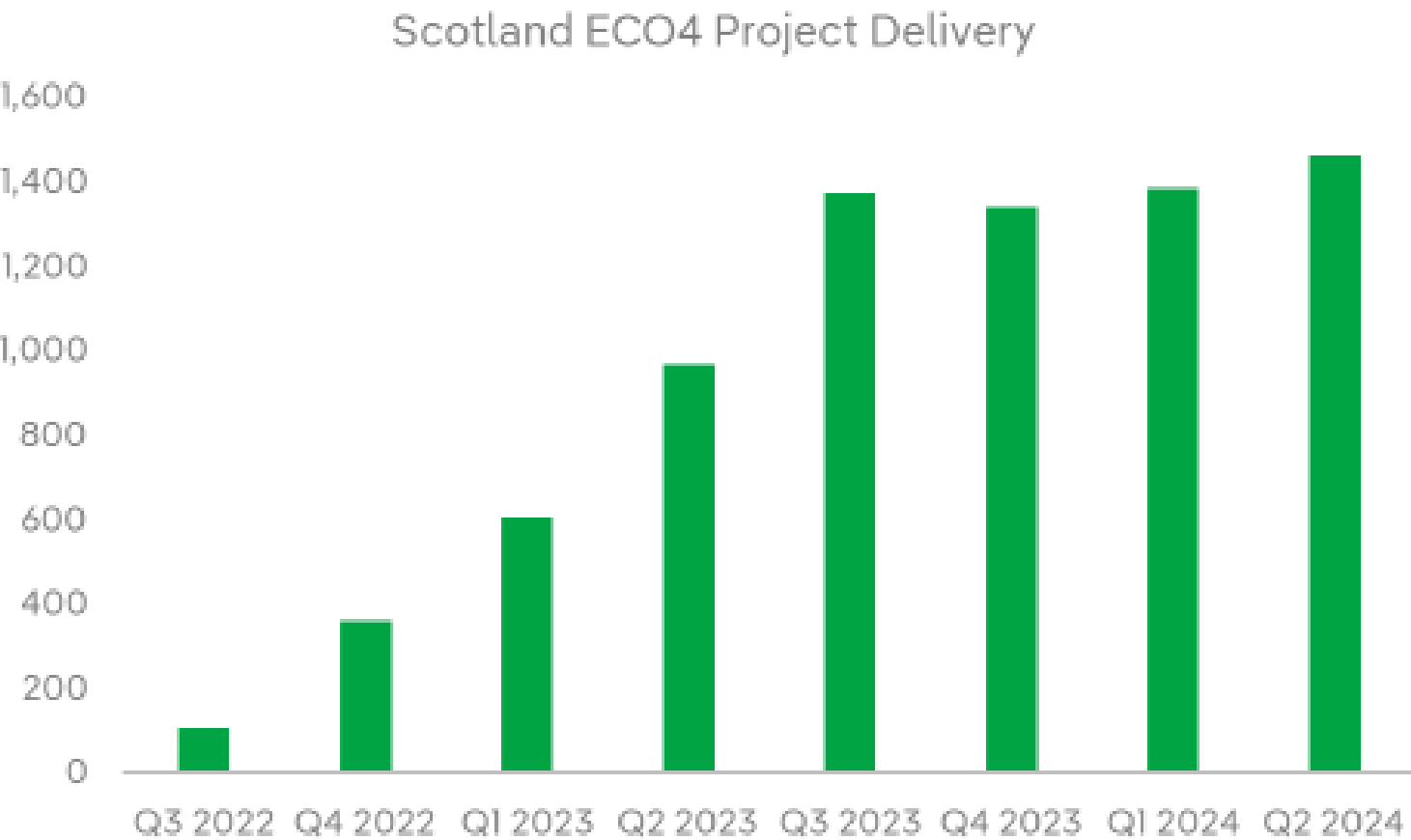
ECO4 Delivery

UK Delivery*

- | 202,104 projects
- | 644,072 measures

Scottish delivery from Q2 2024

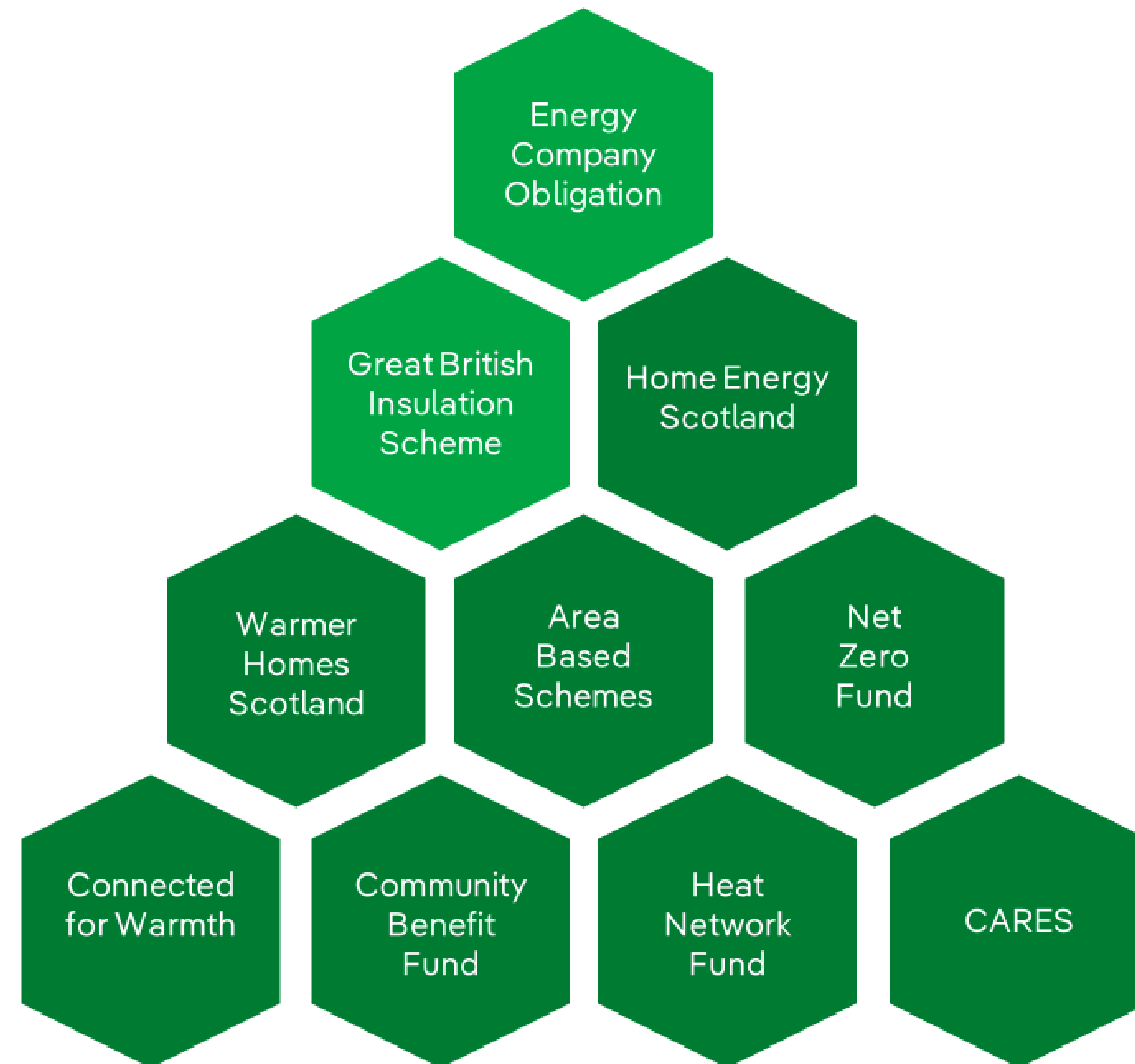
- | 9,634 projects**
- | 37,472 measures***



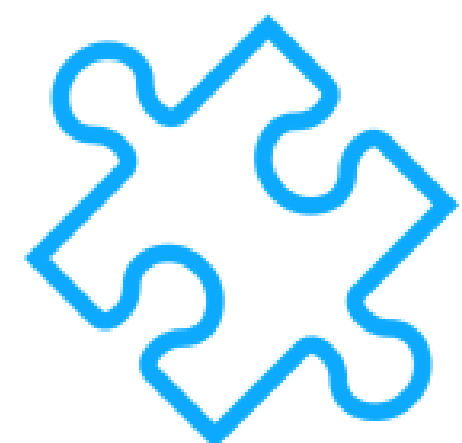
Household Energy Efficiency Statistics - GOV.UK (www.gov.uk)
*ECO4 Delivery Apr 22 – Aug 24 (T2.8b)**
*Households in receipt of ECO measures by region Apr 22 – Jun 24 (T4.1)***
*Measures by ECO obligation by region APR 22 – Jun 24 (T3.3)****

Wider Funding Landscape

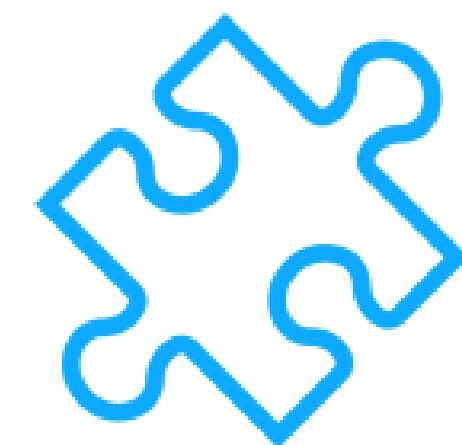
- | Unable to blend funding
- | Options to co-ordinate funding to create more viable area-based approaches
- | Complementing not competing
- | Different eligibility criteria
- | Upcoming Consultations...



Eligibility



Householder

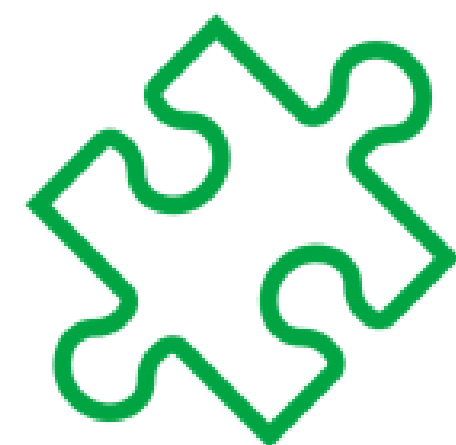


Property

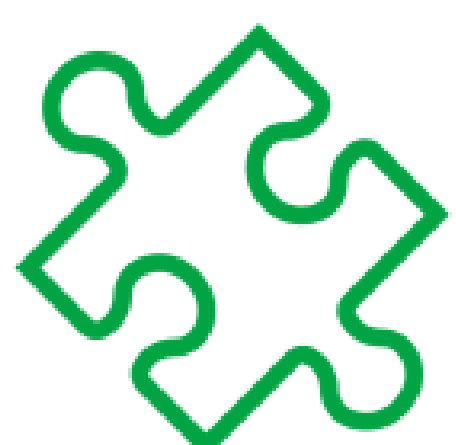


Viable project

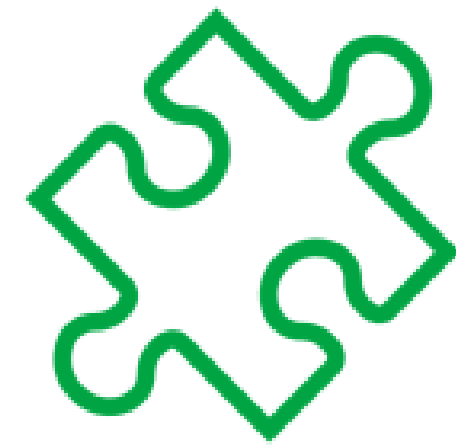
Upgrades



Fabric



Low Carbon Heating

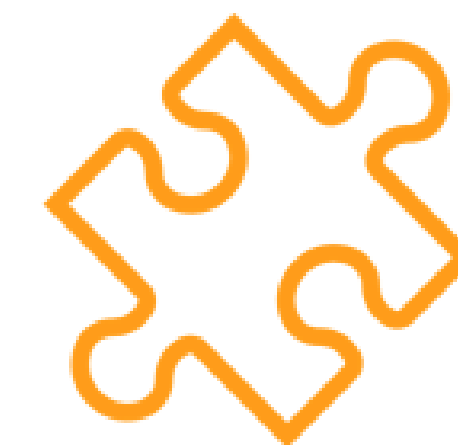


Solar

Legacy



Handover

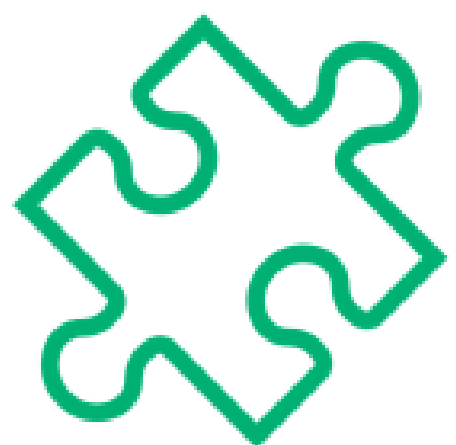


Metering

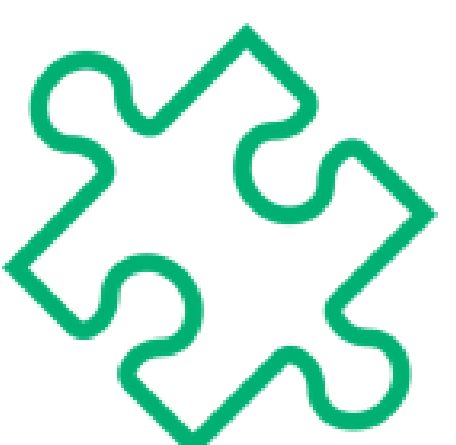


Tariff

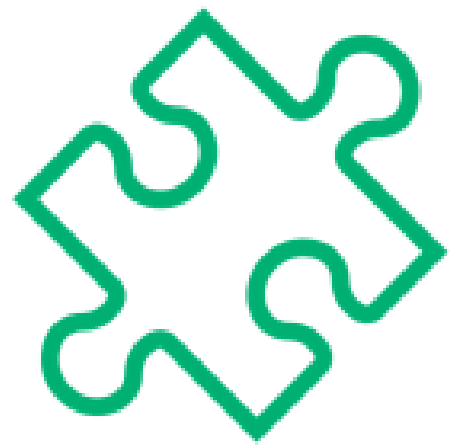
Support



Maintenance

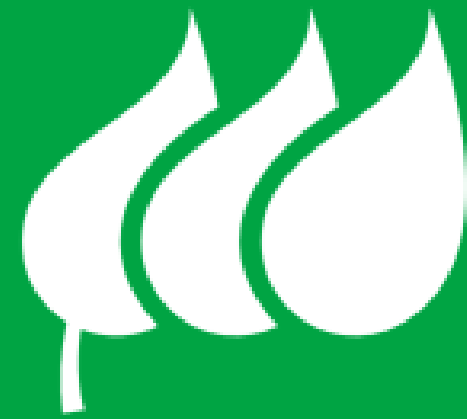


Advice



Engagement

Any Questions?



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Senior Government Obligations Executive

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Mob: 07808 637073