

THE ENERGY TECHNOLOGY LIST:

Call for Evidence

1. About ICOM

The Industrial and Commercial Energy Association (ICOM) is a not-for-profit trade association, representing and promoting the interests of the non-domestic heating sector since 1933. By working closely with governments, professional bodies and associations at National and European level, our work generates tangible benefits for members and is instrumental in the development of product and installation standards.

2. Response Summary

ICOM welcome the Call for Evidence into the Energy Technology List (ETL). ICOM represents the manufacturers of commercial boilers in the UK. It is the view of these manufacturers that boilers would be best served by not being included in the ETL.

3. ICOM Response

7. What are the benefits / disadvantages specifically for suppliers and manufacturers of technology? Do you have any examples?

Currently we do not believe the ETL provides a quantifiable link to an increase in sales. It can occasionally be needed if a client asks for a product to be on the list. However the current ETL mechanism does not allow companies to quantify the value of this listing. In many cases the ETL actually creates a barrier to entry for heating products. This is because of the high cost of being on the ETL. The high cost is generated by supplying a product for testing. These products are already independently tested. The industry views this as an unnecessary cost and therefore a barrier that prevents products being listed. Costs are estimated at around £10,000 per listed product. Some manufacturers after considering the cost/benefit analysis mean that they are not placing products on the ETL.

The industry is concerned that this has turned the ETL into a quality mark, which is not the aim or purpose of the scheme.

Without transparency surrounding take up of the scheme, it is impossible for manufacturers to accurately assess the value of products being ETL listed. At the moment it is viewed as a barrier for industry and can stop products being eligible for the tax breaks. This in turns means that we are unable to assess whether the ETL acts as an incentive for the take up of energy efficient appliances, or whether it is just a tax break for large companies that can take advantage. There is a concern that SME's and small businesses don't have the expertise to reclaim the tax and so are not being incentivised.

8. Which sectors (sub-sectors) do you work in that are featured in the ETL

- Air to Air Energy Recovery
- Boiler Equipment
- Burners with controls
- Combined Heat and Power
- Heat Pumps
- HVAC
- Motors and Drives
- Radiant and Warm Air Heaters
- Solar Thermal Systems
- Water Heaters
- Air Heaters
- Radiant Heaters

9. How appropriate is the product application process?

The application process is time consuming and laborious and is overly complex, especially if a product is already CE certified. The process should be improved. Products are designed to be as efficient as possible related to current regulations and to then redesign and retest to improve when the criteria change involves considerable engineering time. Costs of £10,000 are suggested

However, if a major design project is required, then industry estimates that it can cost up to £100k and around 10 months to complete the application process. This is not seen as suitable for the industry.

10. Do you have any ideas for improvement of the operation of the ETL?

The warning that a sector receives regarding the final decision on changes to a specific product criteria of approximately 3 months is not adequate. Changes cannot be made and certified in such a short timescale.

ICOM would prefer gas boilers to be removed from the scheme. All boilers installed today have to reach a high efficiency as per European legislation. Therefore the ETL is just rewarding behaviour that would happen anyway.

ICOM would also ask for feedback regarding the claims made related to product groups. This would enable manufacturers to gauge the benefits of the scheme.

12. Can you provide evidence or views on the usability and functionality of the website?

The lack of any transparency and reporting of the uptake of ETL/ECA is a huge flaw within the content of the website, and the administration of ETL as a whole. Government initiatives are routinely supported by a reporting mechanism that enables manufacturers to consider the potential risk and reward of engaging with a scheme. This information is vital to manufacturers.

14. To what extent do you see the ETL logo as a quality standard?

As stated in Q7, the secondary testing requirements have turned the ETL logo into a quality mark we don't believe bears resemblance to the original purpose and objectives of the scheme.

The industry has a number of established testing regimes and quality marks that are commonly used and widely recognised throughout not only the UK, but the whole of Europe. The additional testing requirements to achieve ETL listing are not only cost prohibitive to manufacturers, but also an unnecessary expense to the administration of the programme without delivering any discernible value. ETL/ECA was never intended to be a quality standard, and we would strongly discourage any attempt to establish it as such.

15. To what extent do you feel your use/involvement with ETL is dependent on the tax incentive available under the ECA?

Industry involvement with the ETL is based solely on the tax incentive. We believe that this is creating a barrier to sales of gas boilers. We strongly urge the government to remove gas boilers from the ETL.

4. Contact Details

ICOM would be very pleased to discuss any of the issues raised in this submission with DECC, please contact Ross Anderson, ICOM Director on ross.anderson@icom.org.uk 01926 513748.

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