

# Green Deal, the ECO & Local Authorities

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# Introduction

- **The Energy Act 2011**
- **Green Deal and ECO vision**
- **The Green Deal**
- **Energy Company Obligation**
- **The role of local authorities**
- **Consultation document**
- **Timetable**

# Green Deal and ECO vision

- An innovative policy designed around consumers;
- A new, open and dynamic market for businesses;
- Investment driving economic growth.

## Resulting in:

- Less carbon emitted
- Fewer families in fuel poverty
- Improved homes

# Energy Act 2011

- Embedded safeguards in the **Green Deal** contract between the consumer and the provider
- Enabled consumer repayments through a charge on the energy bill.
- Created an accreditation framework for consumer protection

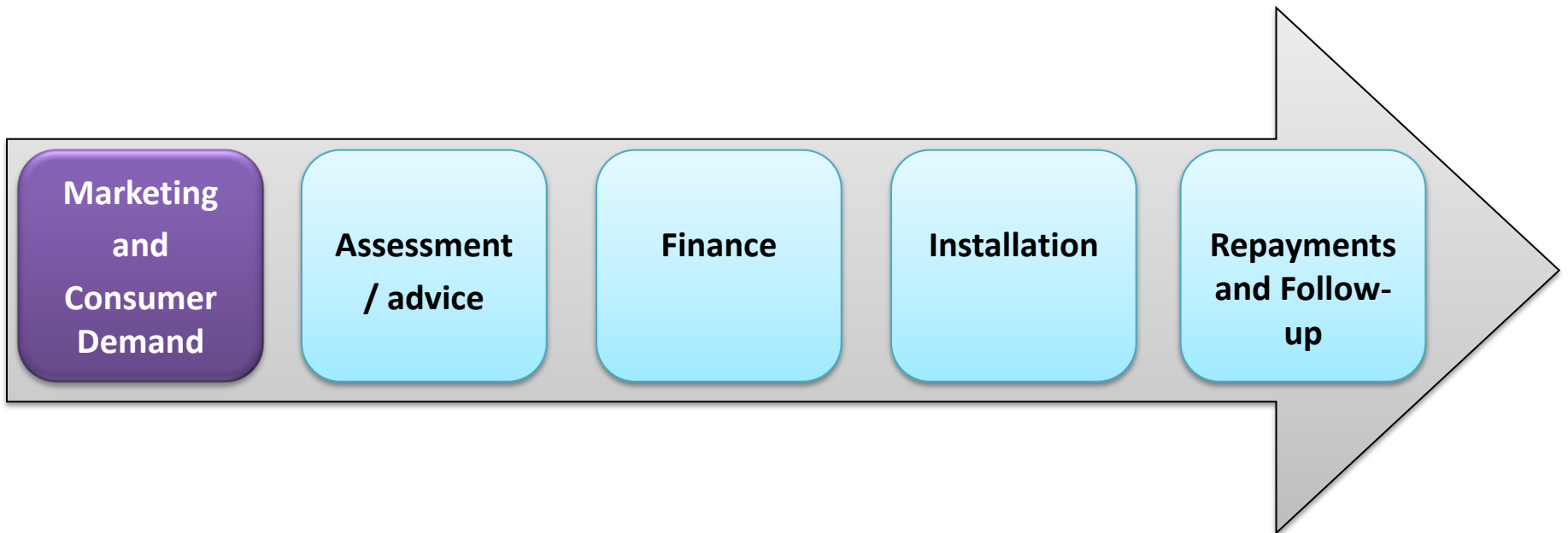
# Energy Act 2011



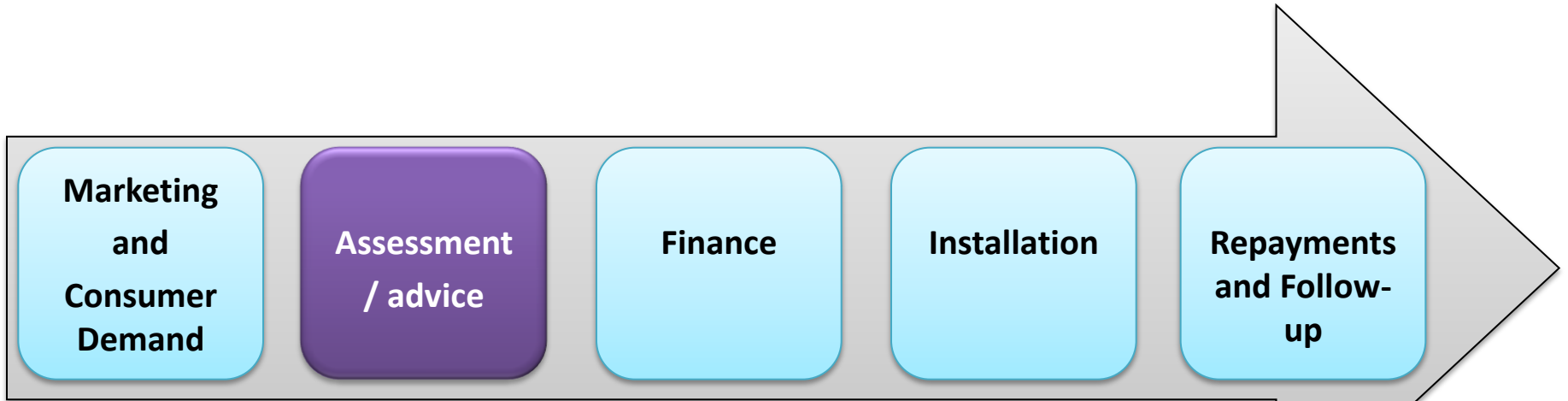
- A new **Energy Company Obligation**, which can be packaged with the Green Deal finance
- New powers to address the worst performing **private rented properties**

# What is the Green Deal?

- A market-led mechanism, funded by private capital
- Energy efficiency improvements at no upfront cost

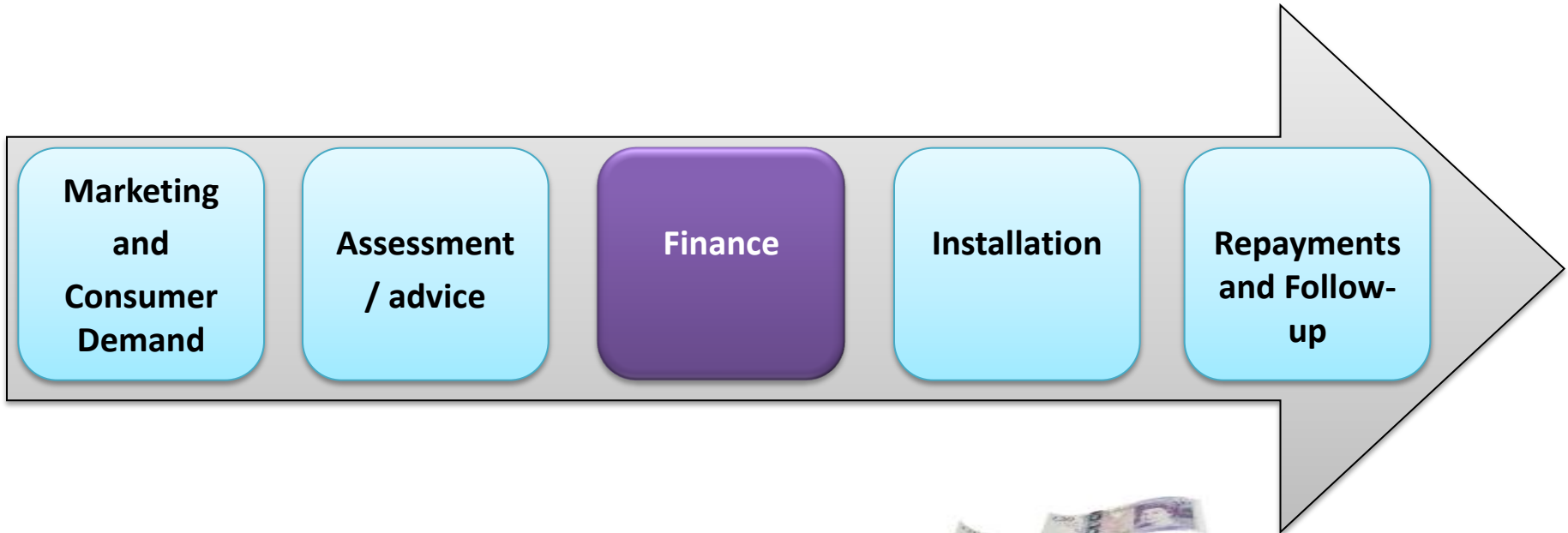


# The Green Deal Process (1)



Energy Efficiency Rating		
	Current	Potential
<i>Very energy efficient - lower running costs</i>		
(92-100) <b>A</b>		
(81-91) <b>B</b>		
(69-80) <b>C</b>		71
(55-68) <b>D</b>		
(39-54) <b>E</b>	45	
(21-38) <b>F</b>		
(1-20) <b>G</b>		
<i>Not energy efficient - higher running costs</i>		
<b>England &amp; Wales</b>	EU Directive 2002/91/EC	

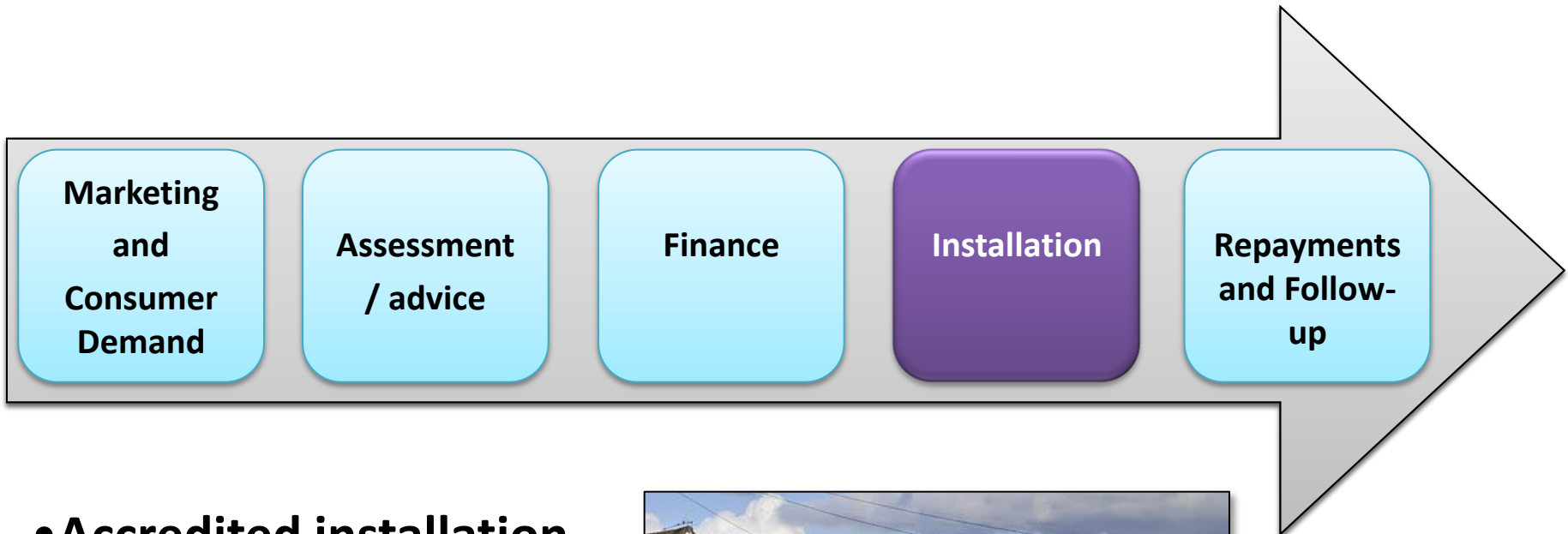
# The Green Deal Process (2)



- No upfront cost
- Repayments attached to energy meter



# The Green Deal Process (3)



- **Accredited installation**
- **Product certification**
- **Green Deal Code**
- **Quality mark**



# Green Deal: Repayment



**Repay via meter over up to 25 years**

# What is the ECO?

- ECO is an obligation on the energy suppliers to support household energy efficiency
- Builds on strengths of existing CERT and CESP schemes
- Designed to fit with the Green Deal landscape
- Will commence at end of 2012

# The role of the ECO

- There will be households for whom Green Deal finance is not suited
- ECO to integrate with the Green Deal, with a focus on:
  - hard to treat properties; and
  - vulnerable and poor households



# The role/s of local authorities

## One Stop Shop LA as Green Deal Provider

Raise finance & local assessor/installation

Partnership with  
National brand  
(Brand provides finance)

LA joint branding & marketing  
with national brand  
Delivery by brand or LA  
contractors

Delivery by National  
brand

Provides finance and markets  
Green Deals (through existing  
customer networks or leads)

LA facilitation role  
May provide leads for commission  
or simply act a conduit/post box  
for local activity

# Working with Local Authorities

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**How is DECC working with local authorities now to deliver the Green Deal?**

- **MoU between DECC/the Local Government Group**
- **DECC LA advisory panel**
- **Support and guidance for local authorities**

# Consultation document

- **Assessment**
- **Measures, products and systems**
- **Green Deal Provider and the Plan**
- **The Golden Rule**
- **Delivering equitable support & tackling fuel poverty through Green Deal & ECO**
- **Consent, Disclosure and Acknowledgement**

# Consultation document

- [Installation](#)
- [Payment Collection](#)
- [Delivering the ECO and Green Deal](#)
- [Consumer Protection](#)
- [Setting the ECO and target metrics](#)
- [Green Deal Monitoring and Evaluation, and ECO Administration](#)

# Timetable

## Green Deal & ECO legislation

DATE	MILESTONE
October 2011	Energy Bill becomes Energy Act 2011
Pre- Autumn 2011	Officials engage stakeholders as they develop the technical details for secondary legislation
Autumn 2011	Formal consultation on secondary legislation
Spring 2012	Secondary legislation laid before Parliament
Autumn 2012	First Green Deals appear & ECO in force



**Thank you.**

**Questions?**