



The Certification Mark for Onsite
Sustainable Energy Technologies

MCS Steering Group Meeting

Meeting of: MCS Steering Group Meeting
Date: 30th November 2010
Venue: BIS Conference Centre
1 Victoria Street
London
SW1H 0ET

Attendees:

Gideon Richards	MCS Steering Group Chair
Brendan McGarry	Gemserv Ltd (MCS Licensee)
Kunal Sharma	Gemserv Ltd (MCS Licensee) – Meeting Secretariat
Paul Rochester	DECC
David Sowden	Micro Power Council
Kelly Butler	BEAMA
Bruce Allen	Chair of MCS WG5
Chris Robert	Chair of MCS WG1 and 2
Richard Phillips	Chair of MCS WG10
Terry Seward	Chair of MCS WG 6 / FETA
Bruce Allen	Temporary Chair of MCS WG 5 / HETAS
Nigel Hollett	SummitSkills
Ian Ronksley	UKAS
Adrian Abbott	British Hydropower Association
Neil Smith	NHBC
Ian Manders	Temporary Chair of WG 7,8 and 9 / CHPA
Chris Yates	HHIC
Indre Vaizgelaite	RenewableUK
David McKenzie	Scottish Installer Groups
Stuart Pocock	REA



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David Matthews

STA and GSHPA

Apologies:

Virginia Graham

REAL Assurance

Ray Noble

REA

David Cowburn

CB Forum Representative for Installer CBs

Alistair Mackinnon

CB Forum Representative for Product CBs

Jacqueline Crawford

Oftec

Agenda:

1. Welcome to the meeting and approval of the agenda
2. Actions log from the last meeting
3. Management Panel
4. MCS Finances
5. MCS Structure / Entity
6. Working Group terms of reference for information
7. Review of MCS 001 update
8. Transition update
9. Legionella
10. Marketing update
11. AOB and proposed dates for next two SG meetings

Documents:

1. MCS SG 21/01
2. MCS SG 21/02
3. MCS SG 21/03
4. MCS SG 21/04
5. MCS SG 21/05
6. MCS SG 21/06



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7. MCS SG 21/07a
8. MCS SG 21/07b
9. MCS 2010 Legionella and Renewable Heat - Barry Johnston

1. Welcome to the meeting, approval of the agenda

Gideon Richards welcomed the attendees to the meeting and the Group agreed the agenda of the meeting. The Group were also reminded about the publication of the minutes onto the MCS website following the meeting. It was noted that the group would be given an opportunity to comment on the draft minutes before publication.

2. Actions log from the last meeting

The finance and entity actions from the last meeting were completed and were discussed under items 3 and 4 respectively. The actions on adding the reference of the MCS Installation Database into the MIS documents was completed, as well as the implementation of the Metering Guidance document. The remaining actions on the development of the Standards Management Group (SMG) have not been completed due to the work undertaken by the Management Panel on the Scheme finances and legal entity, but as previously advised, this role is temporarily being undertaken by the Management Panel itself.

3. Management Panel

Gideon Richards updated the Group on the membership of the MCS Management Panel and explained that the role of the SMG is currently being undertaken by the Management Panel until the SMG is set up. It was explained that the Management Panel has been involved in the development of the next steps for the Scheme's finances and the Scheme as a legal entity (see items 3 and 4 below), as well as ratifying the MCS Hydro Installer Standard and MCS "As-New" Hydro Product Standard, in addition to the new electricity-led CHP Installer and Product

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Standards. The Management Panel has also assisted the development of the transition arrangements proposal.

4. MCS Finances

Brendan McGarry presented the MCS Finances to the Group. It was explained that the Management Panel has accepted that the Scheme has a debt. It was proposed that the Scheme finances should be reformed to allow the Scheme debt to be reduced significantly over the next two year period. The Group agreed with the recognition of the Scheme debt and delegated authority to the Management Panel to implement a new fee structure as soon as possible with the following as a constraint:

- That the £5 per installation fee must not exceed a cost of £15 per installation.

The following proposals were also suggested to be reviewed and considered by the Management Panel when implementing the new fee structure:

- That the product cost paid to the Scheme for one technology can be increased to £425 from the current £350; and
- That the annual installation company fee can also be increased by 10% from £100 to £110 per annum.

It was further accepted that with the implementation of the above, the Scheme will be put onto a much firmer footing.

Action: SG 21 – 01: Management Panel to develop Scheme finances and inform the MCS Steering Group by the end of December 2010 of new finance structure

In addition to this, the MCS Steering Group requested that the Management Panel develop proposals for the Scheme's future expenditure, and that a meeting be held in February to approve this.

Action: SG 21 – 02: Gemserv to arrange meeting in February 2011 to agree the Scheme's budget



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It was agreed that the most efficient way to collect the per installation fee would be for the proposed 'prepayment' mechanism to be added to the MCS Installation Database. Gemserv is in discussions with DECC about this. The Steering Group authorised capital expenditure on adding this functionality, subject to the Management Panel being satisfied with the proposed costs.

The Steering Group further requested that full accounts of the Scheme finances are to be drawn up, and from these a summary of the accounts is to be provided at the next Steering Group meeting.

Action: SG 21 – 03: Gemserv to develop full Scheme financial accounts for next Steering Group meeting.

5. MCS Structure / Entity

Brendan McGarry informed the Group of three options to take forward to develop the MCS into an entity; (i) as a company limited by shares; (ii) as a company limited by guarantee; and (iii) as a community interest company (CIC). It was explained that the Management Panel are looking for the Steering Group to identify the next steps to move one of these proposals or any alternative forward. The Steering Group discussed the possibility of turning MCS into a CIC, but ruled this out in favour of a company limited by guarantee, as it was noted that this is more common place, and that a CIC is based more on geographical impacts. The Group voted in favour of establishing MCS as a company limited by guarantee. There was one member of the Group who abstained from voting until learning more about the appointment of directors for the company.

The Group requested that the Management Panel prepare a paper to include draft Articles and Memorandum, and hold a meeting of interested Steering Group parties towards the end of



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January, with the aim of registering the company by April 2011. A lawyer should be appointed to assist the process.

Action: SG 21 – 04: Gemserv to arrange a meeting at the end of January with a sub group of members of the Steering Group to draft the articles of association for the company and discuss the options to finalise the registration of MCS as a company limited by guarantee, including arranging for a lawyer to assist with the registration process.

6. Working Group Terms of Reference

Brendan McGarry explained that a new updated Terms of Reference had been signed off by the Management Panel whereby Gemserv would provide an independent Chair for each of the Technical Working Group meetings. This was due to come into effect from 1st January 2011 onwards. In addition to this, the same voting rules previously in place to elect the Chair from the Working Group Members are to be used to elect the SMG representative from that Working Group. The Group felt that the ToR should be modified slightly, such that Gemserv would be responsible for ensuring each Working Group was equipped with an adequate Chair, but not necessarily always responsible for providing that Chair itself. It was also mentioned that there needs to be set deadline of papers for the meeting being distributed, and it was agreed that 5 working days notice needs to be given to the Working Group to review papers for a meeting, with the Chair taking the decision as to whether or not any late submissions should be discussed at that particular meeting. It was explained that meeting minutes will be sent as draft 5 working days after a meeting for the Group to comment, before publishing on the MCS website 5 working days later. It was further noted that transparency of document ratification needed to be established.

Action: SG 21 – 05: Gemserv to develop clear process for ratification of Standards and Scheme documents.



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7. Review of MCS 001

Gideon Richards updated the Group with the progress on the review of MCS 001 noting that one meeting of the full Group reviewing MCS 001 was held on 11th November 2010 where the lead of certain tasks were allocated to different members in the Group. It was explained that Certification Bodies were reviewing the language of MCS 001, and that the Micro Power Council, REAL and Gemserv were focussing on complaints procedures. A meeting on November 29th took place to discuss the various models of business and how these should link in with MCS, for example different contractual needs of installation companies and customers. It was explained that the review Group has also looked at developing a declaration for the MCS certificated company and for all parties involved in the various work streams of the installation, to each sign off the relevant aspect of the installation they have completed to show it meets the MCS requirements. To develop this process the Review Group has suggested a trial with installers takes place. It was pointed out that the current review of MCS 001 is at an early stage and a consultation will take place before finalising the new version of MCS 001 once a new draft is available.

8. Transition

Kunal Sharma gave an overview of the current situation with regards to the Transition Arrangements. It was pointed out that 444 products are currently on the MCS website classed as Transition Products. Kunal Sharma presented three options to the Steering Group for consideration; (i) to close off the Transition Arrangements at the end of the year completely for all products except for micro-hydro, bespoke building integrated photovoltaics (BBIPV) and hybrid products, (ii) to allow extensions for manufacturers currently listed and keep the list closed to new entrants, and (iii) to allow extensions and also re-open Transition Arrangements for new applicants.



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It was explained that the wind turbine technology would only have between 4 and 7 products that would have achieved full MCS Certification by December 31st 2010, and that approximately 90 wind turbines would be removed from the website. However, it was noted that as with all MCS products, any product which is removed from the MCS website will continue to be a valid product and considered an MCS product for a further 6 months from the date it was removed from the website, unless it has been removed for safety reasons in which case once removed, it is no longer a valid product.

It was explained that manufacturers have been given enough time to become MCS Certified, and that the government's money is being given out to products for which the consumer has no independently tested performance, safety and function information, and MCS should not vouch for these products. The Scheme was set up for consumer protection and in the interest of developing reasonable best practice from product manufacturers and installers of renewable technologies.

The Group agreed that transition arrangements for micro-hydro, BBIPV and hybrid products should remain until the Standards are fully established, but that all other transition products should be removed on December 31st 2010. The PV Working Group is to establish an end date for when BBIPV products need to become MCS certificated once the Standard has been established.

Action: SG 21 – 06: PV Working Group to establish end date for BBIPV products to become MCS certificated.

The Group agreed that a process also needs to be established for innovative products joining MCS, and that this needs to be developed.

Gideon Richards further suggested writing to the Minister with a formal letter explaining the closure of the MCS Transition Arrangements, with the Management Panel supporting this.

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Action: SG 21 – 07: Gideon Richards and Management Panel to write to Greg Barker MP about closure of MCS Transition Arrangements.

9. Legionnaires

Gideon Richards informed the Group that this topic had been added to the agenda for discussion. It was proposed that a note be added to all MCS Installer Standards where standing water is a possibility, to allow installers to recognise the potential risks of standing water and to act accordingly by recommending that “installer companies should carry out a risk assessment of potential issues arising from standing water, in particular where the installation falls under the scope of HSE L8, which is mandatory, where Low and Zero Carbon Technologies are integrated or installed with heating systems...”. A number of documents have been circulated for discussion at this meeting, however the Group agreed that the amendments to the documents to reflect health and safety issues such as standing water are to be completed by the SMG and requested the SMG meet to discuss and resolve the issues.

Action: SG 21 – 08: SMG to develop text to go into MCS Installation Standards where health and safety issues of standing water may be an issue, recommending a hot water risk assessment is carried out where the installation falls under the scope of HSE L8 which is mandatory.

10. Marketing update

Kunal Sharma gave a brief marketing update to the Group, noting that Gemserv had presented at various Trading Standards, Energy Saving Trust, Heat Pump Today and other conferences during the period since the last MCS Steering Group meeting. It was also pointed out that MCS is planning to attend Ecobuild in 2011 and have a stand at the event to promote MCS. The Group agreed to notify Gemserv of any events they are hosting or would like MCS to present or exhibit at.



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Action: SG 21 – 09: All Steering Group members to notify Gemserv of any potential marketing opportunities.

It was also explained that a new website had been launched for MCS with much more information for consumers and all stakeholders. The Group mentioned that a new website address may be beneficial to aid the Scheme's promotion.

11. AOB

Technologies which are not currently covered by MCS

The Group noted that a process needs to be established for new innovative technologies joining the MCS. It was explained that this needs to be developed alongside the budget and expenditure for the Scheme, and the SMG was requested to develop this.

Action: SG 21 – 10: SMG to develop and establish a process for innovative technologies to join MCS where appropriate.

MCS 2010 Coefficient of performance LCA

Brendan McGarry explained to the Group that a paper was submitted late for the meeting with regards to the Coefficient of Performance (CoP) and Life Cycle Analysis (LCA). It was noted that the paper describes proposals for the Scheme to adopt a generic approach to informing the consumer of their operational CoP and also for installers to follow a standardised LCA methodology compliant with ISO LCA Standards and inform the consumer of the estimates. The Steering Group noted that this issue is one that needs to be discussed by the SMG, and requested that the SMG look into the paper and respond accordingly.

Action: SG 21 – 11: SMG to review proposals on CoP and LCA paper and respond accordingly.



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Records of companies removed from the Scheme

The Group decided that the total number of companies removed from the Scheme should be maintained alongside the number of complaints received. Gemserv explained that these records are kept, but accepted that publicising this may be useful, although much of the information is commercially confidential to the Certification Bodies. More generic information could be published, but following consultation with the Certification Body Forum.

Action: SG 21 – 12: Gemserv to approach CB Forum to discuss possibility of publishing generic information on complaints and companies removed from the Scheme.

Suspension of companies and access to the MCS Database

Brendan McGarry raised a current issue with regards to installers who have been suspended from the Scheme. It was queried whether suspended installers should be able to continue to generate MCS certificates from the MCS Installation Database for installations they complete whilst suspended. It was explained that provided there is a common view with Certification Bodies about suspension from the Scheme, certificates from the MCS Installation Database should be allowable for up to a certain time period, for example up to 6 weeks. This is to allow the registration of installations which may be part way through completion at the time of suspension. Gemserv agreed to provide a common view for all Certification Bodies at the next Certification Body Forum.

Action: SG 21 – 13: Gemserv to provide common view with regards to suspension of installer companies and access to the MCS database.

12. Dates of next meetings

Gemserv proposed the following dates for the next meetings Wednesday 18th May 2011 and Wednesday 30th November 2011. However, with the proposal for a February meeting, and the proposal to establish a legal entity that may well have a different governance structure, these dates may not be used.