
DRAFT STATUTORY INSTRUMENTS

2014 No.

The Electricity and Gas (Energy Companies Obligation) (Amendment) (No. 2) Order 2014

Insertion of article 21ZA

13. After article 21 (excess actions) insert—

“Group application for reallocation and carry forward of excess CERT actions

21ZA.—(1) Two or more suppliers (“applicant suppliers”) who were members of the same group of companies (“G”) on 31st December 2012 may apply to the Administrator to approve—

- (a) one or more relevant CERT actions as group excess actions; and
 - (b) as a credit towards a relevant obligation of an applicant supplier the carbon or cost saving achieved by a group excess action.
- (2) A relevant CERT action is a group excess action if—
- (a) that relevant CERT action was achieved by a relevant company; and
 - (b) had CERT actions been reallocated between the relevant companies in the manner described in the application under paragraph (1), that action would not have been required for all the relevant companies to have met their CERT obligations.
- (3) No credit of a group excess action may be approved by the Administrator towards a supplier’s—
- (a) total carbon emissions reduction obligation, unless the group excess action was—
 - (i) installed to a member of the super priority group; or
 - (ii) solid wall insulation installed to a domestic energy user;
 - (b) total carbon saving community obligation, unless the group excess action was promoted and installed in an area of low income;
 - (c) total home heating cost reduction obligation, unless the group excess action was promoted and installed to a householder who was a member of the super priority group.
- (4) An application under paragraph (1) must—
- (a) be made no later than ten working days after the second amending Order comes into force;
 - (b) describe the reallocation of CERT actions between the relevant companies;
 - (c) identify the relevant CERT actions which are considered group excess actions; and
 - (d) state, in respect of each such group excess action—
 - (i) to which applicant supplier; and
 - (ii) to which of that supplier’s relevant obligations,

the carbon or cost saving of that action is to be credited.

(5) Subject to paragraph (3), the Administrator must approve the credit of group excess actions as set out in an application if it is satisfied that—

- (a) those actions are group excess actions; and
- (b) each relevant company consents to the credit.

(6) A group excess action which is credited against a supplier's total carbon saving community obligation may be credited against the supplier's rural requirement if the Administrator is satisfied that the group excess action was promoted to a member of the super priority group living in a rural area.

(7) Only one application may be made under paragraph (1) in respect of G.

(8) No application may be made under paragraph (1) where the Administrator has approved an application which was made under article 21—

- (a) by a supplier which was a member of G on 31st December 2012; and
- (b) in respect of a CERT action.

(9) In this article—

“2008 Order” means the Electricity and Gas (Carbon Emissions Reduction) Order 2008⁽¹⁾;

“carbon saving”, in relation to a CERT action identified under paragraph (4)(c), has the same meaning as that given in relation to excess actions in article 21(10);

“CERT action” means a measure which was installed and approved under the 2008 Order;

“CERT obligations” means the following obligations under the 2008 Order—

- (a) carbon emissions reduction obligation;
- (b) insulation obligation;
- (c) priority group obligation; and
- (d) super priority group obligation;

“cost saving”, in relation to a CERT action identified under paragraph (4)(c), has the same meaning as that given in relation to excess actions in article 21(10);

“relevant CERT action” means a CERT action which—

- (a) was installed after 1st January 2012; and
- (b) if installed between 1st October 2012 and 31st December 2012, was installed by a person of appropriate skill and experience and in accordance with the Publicly Available Specification where the installation is referred to in the Specification;

“relevant company” means a company which was—

- (a) a member of G on 31st December 2012; and
- (b) notified by the Administrator of a carbon emissions reduction obligation under the 2008 Order;

“relevant obligation” means a supplier's—

- (a) total carbon emissions reduction obligation;
- (b) total carbon saving community obligation; or
- (c) total home heating cost reduction target;

(1) S.I. 2008/188, as amended by S.I. 2009/1904, S.I. 2010/1958 and S.I. 2011/3062.

“super priority group” has the same meaning as in the 2008 Order.”.