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DRAFT STATUTORY INSTRUMENTS

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**2022 No.**

The Electricity and Gas (Energy  
Company Obligation) Order 2022

PART 4

Achievement of obligations

**Achievement of total home-heating cost reduction obligation**

**10.**—(1) A participant must achieve its total home-heating cost reduction obligation by no later than 31st March 2026.

(2) A participant must achieve its total home-heating cost reduction obligation by promoting qualifying actions.

(3) But a participant may not rely on a qualifying action for the purpose of achieving its total home-heating cost reduction obligation if doing so would result in—

- (a) more than 50% of the participant’s total home-heating cost reduction obligation being achieved by qualifying actions which are—
  - (i) qualifying actions by virtue of meeting any of the conditions in articles 17 to 21;
  - (ii) qualifying actions by virtue of satisfying Condition B in article 11(3) of this Order and which meet the condition in article 17 of the 2018 Order; or
  - (iii) ECO3 qualifying actions by virtue of meeting the condition in article 17 of the 2018 Order; or
- (b) more than 12.5% of the participant’s total home-heating cost reduction obligation being achieved by qualifying actions which are part of an ECO4 project that does not meet the requirements of article 49 (requirements for a full project score).

(4) In achieving its total home-heating cost reduction obligation, a participant must also—

- (a) subject to paragraph (5), promote solid wall actions at sufficient domestic premises to meet its total solid wall minimum requirement; and
- (b) promote sufficient qualifying actions, other than surplus actions, in-fill measures and ECO3 interim delivery actions, at private domestic premises that have a SAP band of E, F or G to meet its total EFG minimum requirement.

(5) For the purposes of paragraph (4)(a), where the participant has promoted one or more ECO3 solid wall insulation actions which are surplus actions (“the relevant surplus actions”), the total number of domestic premises at which the relevant surplus actions are to be treated as having been installed is the number of domestic premises equal to the result of the following formula(1)—

$T / \text{£}12,000$ .

(6) For the purposes of paragraph (5)—

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(1) £12,000 is the cost that the Department for Business, Energy and Industrial Strategy has estimated would have been incurred by a participant in achieving an ECO3 solid wall insulation action.

- (a) the result of the formula is to be expressed to the nearest £1, rounding 50 pence up to the next £1;
- (b) in respect of the result of the formula, each £1 equates to one domestic premises;
- (c) “ECO3 solid wall insulation action” means an ECO3 qualifying action falling within paragraph (a) of the definition of “solid wall action” in article 11(5) of the 2018 Order;
- (d) “T” is the sum of the ECO3 cost savings attributable to each relevant surplus action.