
DRAFT STATUTORY INSTRUMENTS

2022 No.

The Electricity and Gas (Energy
Company Obligation) Order 2022

PART 6

Applications relating to innovation measures

Approval as a standard innovation measure or substantial innovation measure

34.—(1) On receiving an application under article 33, the Administrator must decide whether to—

- (a) approve the measure as a standard innovation measure;
- (b) approve the measure as a substantial innovation measure; or
- (c) reject the application.

(2) The Administrator must not approve a measure as a standard innovation measure or a substantial innovation measure unless it is satisfied that—

- (a) the measure is capable of resulting in a reduction in the cost of heating domestic premises;
- (b) the measure description stated in the application is accurate and contains sufficient detail to distinguish the measure from comparable measures;
- (c) the explanation included in the application in accordance with article 33(2)(b) is reasonable;
- (d) the standards stated in the application in accordance with article 33(2)(d) include provisions designed to ensure the safety and efficacy of the measure on its installation;
- (e) the measure is—
 - (i) a type of measure listed in Table A.1, A.2 or A.3 in Annex A to PAS 2030:2019;
 - (ii) a certified product under MCS; or
 - (iii) certified, by a person accredited to ISO/IEC 17065:2012, as conforming to the standards stated in the application in accordance with article 33(2)(d); and
- (f) the measure is not—
 - (i) an ECO3 innovation measure;
 - (ii) a district heating connection;
 - (iii) the installation of equipment for the generation of heat wholly or partly from coal, biofuel, oil or liquefied petroleum gas;
 - (iv) the installation of equipment for the generation of heat wholly or mainly from a non-renewable source; or
 - (v) a repair.

(3) The Administrator may only approve a measure as a substantial innovation measure if—

- (a) the assessment provided with the application in accordance with article 33(2)(c) states that the measure is a substantial improvement on comparable measures; and
 - (b) the Administrator is satisfied that the measure is a substantial improvement on comparable measures.
- (4) The Administrator may only approve a measure as a standard innovation measure if the threshold in paragraph (3) is not met.
- (5) For the purposes of this article, when considering whether a measure is a substantial improvement on comparable measures, the Administrator may have regard to such matters as it thinks fit, including the significance or extent, as compared to comparable measures, of any—
- (a) increase in the annual cost savings of the measure;
 - (b) decrease in the cost of installing the measure;
 - (c) increase in the durability of the measure;
 - (d) improvement in the overall environmental impact of the measure; or
 - (e) reduction in the disruption to householders during the installation of the measure.