DRAFT STATUTORY INSTRUMENTS

2022 No.

The Electricity and Gas (Energy Company Obligation) Order 2022

PART 10

Scores

CHAPTER 3

Calculating full project scores

Project innovation uplift

- **58.**—(1) This article applies for the purpose of determining the amount of the project innovation uplift ("IMP") in the formula in article 55(2).
- (2) For the purposes of this article, where the ECO4 project includes a qualifying action which is an innovation measure, the Administrator must—
 - (a) determine, in accordance with article 59, whether the participant's general innovation allowance is exhausted; and
 - (b) if the participant's general innovation allowance is not exhausted, determine, in accordance with article 60, which of the qualifying actions in the ECO4 project (if any) are uplift eligible innovation measures.
 - (3) The project innovation uplift ("IMP") is—
 - (a) £0, where—
 - (i) the ECO4 project does not include a qualifying action which is an innovation measure;
 - (ii) the participant's general innovation allowance is exhausted; or
 - (iii) none of the qualifying actions included in the ECO4 project is an uplift eligible innovation measure;
 - (b) in any other case, the sum of the innovation measure uplifts for each uplift eligible innovation measure which is a qualifying action forming part of the ECO4 project in question.
- (4) The innovation measure uplift for an innovation measure is the amount calculated in accordance with the following formula—

 $KM \times (R + S)$.

(5) In paragraph (4)—

"KM" is the determined cost savings for the innovation measure;

"R" is-

(a) 0.25, in the case of a standard innovation measure;

- (b) 0.45, in the case of a substantial innovation measure; "S" is—
- (a) 0.05, where the innovation measure—
 - (i) is a standard innovation measure, other than an ECO3 innovation measure, and is promoted by the participant that successfully applied under article 33 for the approval of the measure as a standard innovation measure; or
 - (ii) is a substantial innovation measure and is promoted by the participant that successfully applied under article 33 or 35 for approval of the measure as a substantial innovation measure;
- (b) 0, in all other cases.