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DRAFT STATUTORY INSTRUMENTS

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**2022 No.**

The Electricity and Gas (Energy  
Company Obligation) Order 2022

PART 12

Transfers

**Transfer of obligations**

**81.**—(1) A participant may apply to the Administrator with another participant for all or part of its total home-heating cost reduction obligation, total solid wall minimum requirement or total EFG minimum requirement to be transferred from the participant (“A”) to the other participant (“B”) (a “proposed transfer”).

(2) An application under paragraph (1) must—

- (a) be made by A and B, in writing, on or before 30th September 2025;
- (b) state in respect of which one of the following the application is being made (the “relevant obligation”)—
  - (i) a total home-heating cost reduction obligation;
  - (ii) a total solid wall minimum requirement; or
  - (iii) a total EFG minimum requirement;
- (c) state the amount of its relevant obligation that A intends to transfer to B (“the proposed transfer amount”); and
- (d) include such other information relating to the proposed transfer as the Administrator may require.

(3) The Administrator must reject the application if—

- (a) the requirements in paragraph (2) are not met;
- (b) the proposed transfer amount exceeds A’s relevant obligation;
- (c) having regard to section 30O of the Gas Act 1986<sup>(1)</sup> and section 27O of the Electricity Act 1989<sup>(2)</sup> (maximum amount of penalty or compensation), the Administrator considers that, if the application were approved, there is a significant risk that it would adversely affect the Administrator’s ability to enforce the requirements placed on B under this Order; or
- (d) where A and B are not members of the same group, the Administrator considers that, if the application were approved, there is a significant risk that B would be unable to achieve its total home-heating cost reduction obligation, total solid wall minimum requirement or total EFG minimum requirement.

(4) If the Administrator decides to reject the application, it must in writing—

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(1) 1986 c. 44. Section 30O was inserted by paragraph 1 of Schedule 14 to the Energy Act 2013 (c. 32).  
(2) 1989 c. 29. Section 27O was inserted by paragraph 2 of Schedule 14 to the Energy Act 2013.

- (a) notify A of any reasons for that decision relating to A; and
  - (b) notify B of any reasons for that decision relating to B.
- (5) If the Administrator approves the application—
- (a) for the purposes of this Order, A’s relevant obligation is treated as reduced by the proposed transfer amount, and the Administrator must notify A in writing of—
    - (i) its reduced relevant obligation; and
    - (ii) the date on which the application was approved; and
  - (b) for the purposes of this Order, B’s relevant obligation is treated as increased by the proposed transfer amount, and the Administrator must notify B in writing of—
    - (i) its increased relevant obligation; and
    - (ii) the date on which the application was approved.