
DRAFT STATUTORY INSTRUMENTS

2022 No.

The Electricity and Gas (Energy
Company Obligation) Order 2022

PART 10

Scores

CHAPTER 1

Overview

Part 10: interpretation

46. In this Part—

“adjusted cost savings” means, in relation to a data light measure or a standard alternative methodology measure, the adjusted cost savings calculated in accordance with article 75(2)(b);

“basic heating repair or replacement measure” means a qualifying action that is—

- (a) the repair of—
 - (i) an efficient boiler;
 - (ii) an efficient heating system;
 - (iii) a renewable heating system; or
 - (iv) equipment for the generation of heat wholly or partly from biofuel, oil or liquefied petroleum gas,

but is not the repair of an electric storage heater or heating controls;

- (b) the replacement of an efficient boiler with another efficient boiler; or
- (c) the replacement of an efficient heating system, other than an electric storage heater, with another efficient heating system of the same kind;

“building fabric repair allowance” means, in relation to a participant, the amount equal to 0.5% of the participant’s total home-heating cost reduction obligation;

“building fabric repair expenditure”—

- (a) in connection with an ECO4 project has the meaning given in article 62;
- (b) in connection with a qualifying action has the meaning given in article 74(3) and (4);

“building fabric repair increase”—

- (a) in relation to an ECO4 project has the meaning given in article 55(3);
- (b) in relation to a qualifying action has the meaning given in article 66;

“capped heating repair measure” means a qualifying action that is—

- (a) the repair of an efficient boiler;

(b) the repair of equipment for the generation of heat wholly or partly from biofuel, oil or liquefied petroleum gas; or

(c) the repair of an efficient electric storage heater;

“capped heating replacement measure” means a qualifying action that is—

(a) the replacement of an efficient boiler with another efficient boiler;

(b) the replacement of an efficient heating system with another efficient heating system of the same kind, other than where the efficient heating system being replaced is—

(i) a district heating connection; or

(ii) a renewable heating system;

“data light measure allowance” means, in relation to a participant, the number calculated as the participant’s data light measure allowance under article 48 (see articles 71(3) and (4) and 77(2) which provide that this is the maximum number of qualifying actions promoted by the participant which are data light measures of the same data light measure description and in relation to which the annual cost savings may be counted towards the achievement of the participant’s total home-heating cost reduction obligation)⁽¹⁾;

“data light measure description” means, in relation to a data light measure, the measure description published by the Administrator in respect of the data light measure under article 41(1)(a);

“determined cost savings” means—

(a) in relation to an ECO4 project that meets the requirements of article 49, the annual cost savings of the project determined in accordance with article 53(2)(b);

(b) in relation to a basic heating repair or replacement measure, the annual cost savings of the qualifying action determined in accordance with article 67(3);

(c) in relation to—

(i) the repair of an efficient electric storage heater; or

(ii) the replacement of an efficient electric storage heater with another efficient electric storage heater,

the annual cost savings of the qualifying action determined in accordance with article 68(3);

(d) in relation to a data light measure or a standard alternative methodology measure not falling within paragraph (b) or (c), the annual cost savings of the qualifying action determined in accordance with article 75(2)(c);

(e) in relation to a DHC alternative methodology measure, the annual cost savings of the qualifying action determined in accordance with the alternative methodology approved by the Administrator under article 70(5);

(f) in relation to a surplus action or an ECO3 interim delivery action, the annual cost savings of the qualifying action determined in accordance with article 78(2);

(g) in relation to a qualifying action not falling within paragraphs (b) to (f), the annual cost savings of the qualifying action determined in accordance with article 76(2)(c);

“DHCalt” is, in relation to a DHC alternative methodology measure, the determined cost savings for the qualifying action;

(1) See also articles 51(2)(a) and 53, which provide that the data light measure allowance sets a maximum for the number of qualifying actions promoted by the participant which are data light measures of the same data light measure description and in relation to which the adjusted cost savings may be used in the determination of the post-project SAP band under article 51(1)(a)(ii), and in the determination of the post-project SAP rating under article 53(3)(a)(ii).

“DHC alternative methodology measure” means a qualifying action which is the installation of a district heating connection in respect of which the Administrator has approved an alternative methodology under article 70(5);

“DHCstandard” is, in relation to a DHC alternative methodology measure, the annual cost savings of the qualifying action determined in accordance with article 76(2)(c);

“energy cost rating equations” means the equations set out in chapter 13 of the Standard Assessment Procedure;

“exempted ECO4 project” means an ECO4 project that meets condition B in article 50(3);

“exempted project allowance” means, in relation to a participant, the number calculated as the participant’s exempted project allowance under article 48 (see article 50(1)(b) and (5) which provide that this is the maximum number of ECO4 projects promoted by the participant that may meet the minimum requirement for energy efficiency improvement in that article by virtue of meeting condition B in that article);

“full project score” means the score given to an ECO4 project that meets the requirements of article 49;

“general innovation allowance” means, in relation to a participant, the amount equal to 10% of the participant’s total home-heating cost reduction obligation;

“heating repair allowance” means, in relation to a participant, the number calculated as the participant’s heating repair allowance under article 48 (see articles 67(3) and 68(3) which provide that this is the maximum number of ECO3 interim delivery actions and ECO4 projects promoted by the participant which are, or which contain, a capped heating repair measure in relation to which the annual cost savings of the capped heating repair measure may be counted towards the achievement of the participant’s total home-heating cost reduction obligation);

“heating replacement allowance” means, in relation to a participant, the number calculated as the participant’s heating replacement allowance under article 48 (see articles 67(3) and 68(3) which provide that this is the maximum number of surplus actions, ECO3 interim delivery actions and ECO4 projects promoted by the participant which are, or which contain, a capped heating replacement measure in relation to which the annual cost savings of the capped heating replacement measure may be counted towards the achievement of the participant’s total home-heating cost reduction obligation);

“innovation measure uplift”, in relation to an innovation measure, is the amount calculated in accordance with article 58(4);

“partial project score” means the score given to a qualifying action which is part of an ECO4 project that does not meet the requirements of article 49;

“positive score” means a score which is greater than zero;

“post-project energy efficiency assessment” means, in relation to an ECO4 project, a SAP assessment or an RdSAP assessment performed after the completion of the project;

“project innovation uplift” has the meaning given in article 55(3) (see the definition of “IMP” in that article);

“uplift eligible innovation measure” has the meaning given in article 60(2).

Calculating allowances and giving a score to an ECO4 project or to a qualifying action

47.—(1) To determine whether a participant has achieved its total home-heating cost reduction obligation, the Administrator must—

- (a) calculate the participant’s data light measure allowance, exempted project allowance, heating repair allowance and heating replacement allowance, in accordance with article 48;

- (b) give a score to each ECO4 project that meets the requirements of article 49 (see article 53 in relation to the calculation of the score); and
- (c) give a score to each qualifying action which—
- (i) is part of an ECO4 project that does not meet the requirements of article 49 (see whichever is relevant of articles 67 to 72 in relation to the calculation of the score);
 - (ii) is an in-fill measure (see article 77 in relation to the calculation of the score); or
 - (iii) is a surplus action or an ECO3 interim delivery action (see article 78 in relation to the calculation of the score).
- (2) The Administrator may give a score to each ECO4 project and to each qualifying action in such order as it thinks fit.
- (3) The Administrator must notify a participant of—
- (a) its data light measure allowance, exempted project allowance, heating repair allowance and heating replacement allowance; and
 - (b) the score it has given to an ECO4 project or qualifying action promoted by the participant.
- (4) The Administrator must comply with paragraphs (1) and (3) in the period beginning with 1st July 2026 and ending with 30th September 2026.
- (5) In this Part, references—
- (a) to a participant are to the participant that promoted the ECO4 project or qualifying action in question;
 - (b) to domestic premises are to the domestic premises at which the qualifying actions forming part of the ECO4 project in question are installed, or at which the qualifying action in question is installed;
 - (c) to the ECO4 project in question are to the ECO4 project for which it is being determined whether the project meets the requirements of article 49, or for which a score is being calculated;
 - (d) to the qualifying action in question are to the qualifying action for which a score is being calculated.

Calculation of data light measure, exempted project, heating repair and heating replacement allowances

48.—(1) The Administrator must calculate a participant’s data light measure allowance, exempted project allowance, heating repair allowance and heating replacement allowance in accordance with the following formula—

$(Ht / \text{£}224.3 \text{ million}) \times A$, with the result expressed as the nearest integer, rounding 0.5 up to the next integer.

(2) In paragraph (1)—

(a) “A” is the value given for the allowance in the following table—

<i>Allowance</i>	<i>Value</i>
Data light measure allowance	5,000 data light measures.
Exempted project allowance	7,500 ECO4 projects.
Heating repair allowance	20,000 ECO3 interim delivery actions or ECO4 projects.

<i>Allowance</i>	<i>Value</i>
Heating replacement allowance	20,000 surplus actions, ECO3 interim delivery actions or ECO4 projects.

(b) “Ht” is the participant’s total home-heating cost reduction obligation.