
DRAFT STATUTORY INSTRUMENTS

2022 No.

The Electricity and Gas (Energy
Company Obligation) Order 2022

PART 12

Transfers

Transfer of measures

80.—(1) A relevant supplier may apply to the Administrator with another relevant supplier for one or more measures which are promoted by the relevant supplier (“A”) to be treated as promoted by the other relevant supplier (“B”) (a “proposed transfer”).

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

- (a) be made by A and B, in writing, on or before 30th June 2026;
- (b) be made in respect only of measures which—
 - (i) have been notified to the Administrator in accordance with article 43(a) to (c); or
 - (ii) are surplus actions;
- (c) if the application is made in respect of a measure which is part of an ECO4 project, be made in respect of all the measures which are part of that project;
- (d) if the application is made in respect of an in-fill measure or a primary measure with which an in-fill measure is linked, be made in respect of—
 - (i) the in-fill measure;
 - (ii) all of the primary measures with which the in-fill measure is linked; and
 - (iii) any other measures which are part of the same ECO4 project as any of the primary measures referred to in paragraph (ii); and
- (e) include such 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; or
- (b) 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 A 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—

- (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) the following are treated as promoted by B and not A for the purposes of this Order—

- (i) each measure in respect of which the application was made; and
- (ii) if a measure referred to in paragraph (i) is part of an ECO4 project, the project and any item of work to which article 62(2) applies in relation to the project; and
- (b) the Administrator must notify A and B in writing of the date on which the application was approved.
- (6) For the purposes of this article—
 - “primary measure” has the same meaning as in—
 - (a) article 22(1), in relation to a flat in-fill measure;
 - (b) article 23(1), in relation to a house in-fill measure;
 - “relevant supplier” means—
 - (a) a participant; or
 - (b) a licence-holder on whom a home-heating cost reduction obligation was imposed under the 2018 Order.

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(1) and section 27O of the Electricity Act 1989(2) (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.

(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.

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