
DRAFT STATUTORY INSTRUMENTS

2022 No.

The Electricity and Gas (Energy
Company Obligation) Order 2022

PART 6

Applications relating to innovation measures

Part 6: interpretation

32. In this Part, “comparable measures”, in relation to a measure which is the subject of an application by a participant under this Part, means measures which—

- (a) would otherwise be promoted by the participant; and
- (b) are commonly available on the market in Great Britain.

Applications for approval as an innovation measure

33.—(1) A participant may apply to the Administrator in writing for a measure that the participant intends to promote to be approved as a standard innovation measure or a substantial innovation measure.

- (2) The application must include the following information—
 - (a) the measure description;
 - (b) an explanation of how the measure is an improvement on comparable measures;
 - (c) in the case of an application for approval of the measure as a substantial innovation measure, a qualitative assessment as to whether the measure is a substantial improvement on comparable measures;
 - (d) the standards with which the measure conforms; and
 - (e) such other information relating to the measure as the Administrator may require.

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.

Further applications: substantial innovation measures

35.—(1) A participant may apply to the Administrator in writing for a measure to which paragraph (2) applies to be approved as a substantial innovation measure.

- (2) This paragraph applies to a measure which—
 - (a) has been approved as a standard innovation measure; or
 - (b) is an ECO3 innovation measure.
- (3) An application under paragraph (1) must include the following information—
 - (a) the measure description;
 - (b) a qualitative assessment as to whether the measure is a substantial improvement on comparable measures; and

- (c) such other information relating to the measure as the Administrator may require.
- (4) The Administrator must not approve the application unless—
 - (a) the assessment provided with the application in accordance with paragraph (3)(b) 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.
- (5) Article 34(5) applies for the purposes of paragraph (4).

Publication of information following approval of an innovation measure

36.—(1) If the Administrator approves an application under article 33, the Administrator must publish on its website the following information in respect of the measure—

- (a) the measure description;
- (b) whether the measure has been approved as—
 - (i) a standard innovation measure; or
 - (ii) a substantial innovation measure; and
- (c) the date on which the application is approved by the Administrator.

(2) If the Administrator approves an application under article 35, the Administrator must publish on its website the following additional information in respect of the measure—

- (a) the approval of the measure as a substantial innovation measure; and
- (b) the date on which the application is approved by the Administrator.

Definitions: standard innovation measures and substantial innovation measures

37. For the purposes of this Order—

- (a) a standard innovation measure is a measure which—
 - (i) either—
 - (aa) falls within a measure description published by the Administrator in accordance with article 36(1)(a); or
 - (bb) is an ECO3 innovation measure;
 - (ii) other than in the case of an ECO3 innovation measure—
 - (aa) is approved as a standard innovation measure; and
 - (bb) is completed after the date on which the application under article 33 is approved in respect of the measure; and
 - (iii) if relevant, is completed on or before the date on which an application under article 35 is approved in respect of the measure;
- (b) a substantial innovation measure is a measure which—
 - (i) either—
 - (aa) falls within a measure description published by the Administrator in accordance with article 36(1)(a); or
 - (bb) is an ECO3 innovation measure;
 - (ii) is approved as a substantial innovation measure; and
 - (iii) is completed—

- (aa) if an application under article 35 is approved in respect of the measure, after the date on which the application is approved;
- (bb) otherwise, after the date on which the application under article 33 is approved.