Draft Order laid before Parliament under sections 33BC(12) and 33BD(4) of the Gas Act 1986 and sections 41A(12) and 41B(4) of the Electricity Act 1989, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2014 No. 0000

ELECTRICITY
GAS

The Electricity and Gas (Energy Companies Obligation) (Amendment) Order 2014

Made - - - - ***

Coming into force in accordance with article 1

The Secretary of State makes this Order in exercise of the powers conferred by section 33BC and 33BD of the Gas Act 1986(**1**) and section 41A and 41B of the Electricity Act 1989(**2**).

The Secretary of State has consulted the Gas and Electricity Markets Authority, the National Consumer Council(**3**), electricity distributors, electricity suppliers, gas transporters, gas suppliers and such other persons as the Secretary of State considers appropriate.

A draft of this instrument has been approved by a resolution of each House of Parliament pursuant to section 33BC(12) and 33BD(4) of the Gas Act 1986 and section 41A(12) and 41B(4) of the Electricity Act 1989.

Citation and commencement

1. This Order may be cited as the Electricity and Gas (Energy Companies Obligation) (Amendment) Order 2014 and comes into force on the day after the day on which this Order is made.

(**1**) 1986 c.44. Section 33BC was inserted (as section 33BB) by section 10(1) of, and Schedule 3, paragraph 36 to, the Gas Act 1995 (c.45). Section 33BB was substituted for (and renumbered as) section 33BC by section 99 of the Utilities Act 2000 (c.27). This section was also amended by sections 15 and 17 of, and paragraphs 1 and 2 of the Schedule to, the Climate Change and Sustainable Energy Act 2006 (c.19) and section 79 of, and paragraph 1 of Schedule 8 to, the Climate Change Act 2008 (c.27). Section 66 of the Energy Act 2011 (c.16) also amends this section. Section 33BD was inserted by section 68 of the Energy Act 2011.

(**2**) 1989 c.29. Section 41A was substituted for section 41 by section 70 of the Utilities Act 2000 (c.27) and amended by sections 16 and 17 of, and paragraphs 4 and 5 of the Schedule to, the Climate Change and Sustainable Energy Act 2006 (c.19) and section 79 of, and paragraphs 2 to 5 of Schedule 8 to, the Climate Change Act 2008 (c.27). Section 67 of the Energy Act 2011 (c.16) also amends this section. Section 41B was inserted by section 69 of the Energy Act 2011.

(**3**) The National Consumer Council replaced the Gas and Electricity Consumer Council, see section 30 of the Consumer, Estate Agents and Redress Act 2007 (c.17).

Amendments to the Electricity and Gas (Energy Companies Obligation) Order 2012

2. The Electricity and Gas (Energy Companies Obligation) Order 2012(**4**) is amended as follows.

Amendments to article 2

3. In article 2 (interpretation)—

(a) omit the definition of "glazing measure";

(b) in the definition of "recommended measure"—

(i) in paragraph (a), for "a domestic energy user's premises" substitute "the domestic premises at which the measure is to be installed";

(ii) in paragraph (b), for "the domestic energy user's premises" substitute "those domestic premises"; and

(c) in paragraph (a) of the definition of "solid wall insulation", omit "to 0.30W/m^2K or less".

Amendments to article 12

4. In article 12 (achievement of carbon emissions reduction obligation)—

(a) in paragraph (2), omit "to domestic energy users";

(b) in paragraph (3), after "installation" insert ", at domestic premises,";

(c) in paragraph (4)(d)—

(i) after paragraph (i), insert "and";

(ii) omit paragraph (iii) and the word "and" that precedes it;

(d) in paragraph (5), for "a domestic energy user's" substitute "domestic"; and

(e) in paragraph (7), omit sub-paragraph (a) and the word "and" at the end of that sub-paragraph.

Amendments to article 13

5. In article 13 (achievement of carbon saving community obligation)—

(a) in paragraphs (2) and (3), omit "to domestic energy users living";

(b) in paragraph (4), omit "domestic energy users who are";

(c) in paragraph (5), after "installation" insert ", at domestic premises,"; and

(d) in paragraph (7), omit sub-paragraph (a) and the word "and" at the end of that sub-paragraph.

Amendments to article 16

6. In article 16 (notifications of qualifying actions and adjoining installations)—

(a) in paragraphs (6) and (7), omit "Subject to paragraph (8),"; and

(b) omit paragraph (8).

Transfers of excess actions

7. After article 21 (excess actions), insert—

(**4**) S.I. 2012/3018.

"**Transfers of excess actions**

21A.—(1) Where—

(a) a supplier ("C") has achieved an excess action ("E"); and

(b) the Administrator has approved an application made in respect of E under article 21(9),

E may be regarded as achieved by another supplier ("D") ("a transfer") if that transfer is approved by the Administrator in accordance with this article.

(2) C and D must—

(a) apply for approval in writing to the Administrator by 30th April 2015;

(b) provide to the Administrator such information, including the number and type of excess actions intended to be transferred, as the Administrator may reasonably require; and

(c) indicate whether D intends E to be credited towards D's—

(i) total carbon emissions reduction obligation;

(ii) total carbon saving community obligation; or

(iii) total home heating cost reduction obligation.

(3) The Administrator must approve a transfer—

(a) in a case where D has indicated that it intends E to be credited towards a different obligation from the one notified under article 21(2)(b), if the Administrator is satisfied that E meets any applicable requirement in article 21(4)(d) or (5)(d) in respect of that different obligation; and

(b) unless it has reasonable grounds to believe that, if the transfer were approved, C would not be able to achieve its—

(i) total carbon emissions reduction obligation;

(ii) total carbon saving community obligation; or

(iii) total home heating cost reduction obligation.

(4) If the Administrator decides not to approve a transfer under paragraph (3) it must notify C and D of the reasons for that decision.

(5) If a transfer is approved, E is treated as achieved by D and not C.".

Amendment to article 22

8. For paragraph (3)(a) of article 22 (final determination and reporting), substitute—

"(a) if it is satisfied, as applicable, that—

(i) Q is a qualifying action in respect of that different obligation; or

(ii) E meets any applicable requirement in article 21(4)(d) or (5)(d) in respect of that different obligation;".

Amendments to Schedule 1

9.—(1) In paragraph 1 of Schedule 1 (affordable warmth eligibility)—

(a) in sub-paragraphs (b)(ii), (c)(i), (d)(i) and (f)(i), for "has parental responsibility" substitute "is responsible";

(b) at the end of sub-paragraph (e), omit "or";

(c) in sub-paragraph (f)(ii), for "disabled worker element" substitute "disability"; and