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STATUTORY INSTRUMENTS

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**2014 No. 3219**

The Electricity and Gas (Energy  
Company Obligation) Order 2014

PART 4

Achievement of obligations, determining savings and surplus actions

**Determining the carbon saving for a qualifying action**

**18.**—(1) Subject to paragraph (2), the carbon saving for a qualifying action notified under article 17 is calculated—

(a) in accordance with the following formula—

$$(A - (A \times B)) \times 0.925$$

where—

(i) “A” is the carbon dioxide equivalent saving for the qualifying action, determined in accordance with the Standard Assessment Procedure or the Reduced Data Standard Assessment Procedure; and

(ii) “B” is the relevant in-use factor; or

(b) in accordance with an appropriate methodology approved by the Administrator under article 24.

(2) Where the qualifying action is a measure installed in Scotland, the carbon saving for that action may also be calculated by determining the saving in accordance with SAP 2009 and reducing that saving by the relevant in-use factor.

(3) Where a qualifying action is the installation of solid wall insulation which is accompanied by an appropriate warranty, the expected lifetime of the solid wall insulation, for the purpose of calculating its carbon saving, is 36 years.

(4) In this article—

“appropriate warranty” means a warranty which the Administrator is satisfied—

(a) is supported by a mechanism that gives assurance that—

(i) funds will be available to honour the warranty; and

(ii) the installation of the solid wall insulation and products used in the solid wall insulation comply with a quality assurance framework;

(b) is for 25 years or more; and

(c) provides for repair, or replacement where appropriate, of the solid wall insulation, covering the cost of remedial and replacement works and materials;

“carbon dioxide equivalent saving” means, in respect of a measure, the amount in tonnes of carbon dioxide equivalent that is expected to be saved over the lifetime of the measure;

“international carbon reporting practice” has the meaning given by section 94(1) of the Climate Change Act 2008(1);

“tonne of carbon dioxide equivalent” means—

- (a) a tonne of carbon dioxide; or
- (b) an amount of—
  - (i) methane;
  - (ii) nitrous oxide;
  - (iii) methane and nitrous oxide combined; or
  - (iv) carbon dioxide mixed with one or both of the gases listed in sub-paragraphs (i) and (ii),

with an equivalent global warming potential to one tonne of carbon dioxide (calculated consistently with international carbon reporting practice).